

NOTICE

Notice is hereby given that the **TWENTY-EIGHTH ANNUAL GENERAL MEETING of TATA ELXSI LIMITED** will be held on Thursday 27th July, 2017 at 12:30 pm., at St John's Auditorium, John Nagar, Koramangala, Bengaluru - 560 034, to transact the following business:

Ordinary Business

1. To consider and adopt the Audited Financial Statement of Profit and Loss for the year ended March 31, 2017 and the Audited Balance Sheet as at that date together with the Cash Flow Statement and the reports of the Directors and Auditors thereon.
2. To declare dividend on equity shares for the financial year 2016-17.
3. To appoint a Director in place of Dr. Gopichand Katragadda who retires by rotation and is eligible for re-appointment.
4. To appoint M/s. BSR & Co. LLP, Chartered Accountants (Regn No. 101248W/W-100022) as Statutory Auditors of the Company for a period of five years from the conclusion of this annual general meeting up to the conclusion of 33rd Annual General Meeting to be held in the year 2022.

Special Business

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

RESOVLED THAT Mr. Sudhakar Rao (DIN: 00267211) who have been appointed as an Additional Director and, holds office upto the date of this Annual General Meeting of the Company, and is eligible for re-appointment and in respect of whom the company has received a notice u/s 160 of the Companies Act, 2013 proposing his candidature for the office of director, be and is hereby appointed as a Director.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, Mr. Sudhakar Rao (DIN: 00267211) be and is hereby appointed as an Independent Director of the Company, to hold office from 1st August, 2016 upto 31st July, 2021.

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 Section 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013, the Company hereby approves the re-appointment of Mr. Madhukar Dev (DIN:00082103) as Managing Director & CEO of the Company for a period of 2 years, 8 months and 16 days commencing from January 16, 2017 up to October 01, 2019 on the terms and conditions, as contained in the draft agreement to be executed between the Company and Mr. Madhukar Dev as set out in the Explanatory Statement annexed to the Notice.

RESOLVED FURTHER THAT notwithstanding anything to the contrary contained herein, where in any financial year during the currency of the tenure of Mr. Madhukar Dev the Company has no profits or its profits are inadequate, the Company will, subject to the approval of the Central Government, if any, continue to pay remuneration by way of salary, incentive remuneration and perquisites & allowances as set in the Explanatory Statement.

RESOLVED FURTHER THAT the Board of Directors of the Company or a Committee thereof, be and is hereby authorized to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed and to do all such acts, deeds, matters and things as may be necessary, proper and expedient to give effect to this resolution.

Bengaluru, 27th April, 2017

By Order of the Board

Registered Office:

ITPB Road, Whitefield,
Bengaluru - 560 048.

CIN: L85110KA1989PLC009968

G. Vaidyanathan
Company Secretary

NOTES:

- a) The relevant details of the persons seeking re-appointment/appointment as Director under Item Nos. 4,5 and 6 above, pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 are annexed hereto.
- b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER. The instrument appointing proxy, in order to be effective, must be deposited, at the Company's Registered Office duly completed and signed, not less than FORTY-EIGHT hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as proxy for any other person or shareholder.
- c) Members desirous of getting any information in respect of Accounts of the Company are requested to send their queries in writing to the Company at the Registered Office so as to reach at least 7 days before the date of the Meeting so that the required information can be made available at the Meeting.
- d) Members / Proxies attending the Meeting are requested to bring their copy of the Annual Report for reference at the Meeting as also the Attendance Slip duly filled in for attending the Meeting.
- e) Register of Members and Transfer Books of the Company will remain closed from 20th July, 2017 to 27th July, 2017 (both dates inclusive) for the purpose of determining the shareholders entitled to the payment of Dividend declared, at the Annual General Meeting on 27th July, 2017 for the year ended 31st March, 2017.

Dividend on shares, when declared, will be paid only to those members whose names are registered as such in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company on or before 19th July, 2017 and to the Beneficial Holders as per the Beneficiary List as on 19th July, 2017 provided by the NSDL and CDSL.

- f) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar & Share Transfer Agent.
- g) Electronic copy of the Annual Report 2016 – 17 is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report 2016 - 17 are being sent in the permitted mode.
- h) Members may also note that the Notice of the 28th Annual General Meeting and the Annual Report 2016-17 will also be available on the Company's website www.tataelxsi.com for their download. The physical copies of the aforesaid documents are also available in the Company's Registered Office in Bangalore for inspection during normal business hours on any working day. Members, who have registered their email IDs for receiving all communication by electronic means, are also entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's dedicated investor email-id: investors@tataelxsi.com.
- i) Voting through electronic means:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 24th July, 2017 (9:00 am) and ends on 26th July, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20th July, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "**EVEN**" ("E-Voting Event Number") of "Tata Elxsi Limited". **EVEN 106267**
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to telscrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.
 - B. In case a Member receives physical copy of the Notice of AGM for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy :
 - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
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 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/ PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 20th July, 2017.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 20th July, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or csg-unit@tsrdarashaw.com.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mrs. Jayashree Parthasarathy, Practicing Company Secretary (Membership No. 4610) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company at www.tataelxsi.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE and NSE.
- j) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.
- k) Members holding shares in electronic form may please note that as per the regulations of National Securities Depository Ltd (NSDL) and Central Depository Services (India) Limited (CDSL), the Company is obliged to print the bank details on the dividend warrants as furnished by these Depositories to the Company and the Company cannot entertain any request for deletion / change of bank details already printed on dividend warrants as per information received from the concerned Depositories. In this regard, Members should contact their Depository Participant (DP) and furnish particulars of any changes desired by them.
- l) Members who have not received their dividend paid by the Company in respect of earlier years, are requested to check with the Company's Registrars & Transfer Agents i.e. M/s. TSR Darashaw Limited, 6-10 Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011. Members are requested to note that in terms of Section 125 of the Companies Act, 2013 any dividend unpaid / unclaimed for a period of 7 years from the date these first became due for payment, is to be transferred to the Central Government to the credit of the Investor Education & Protection Fund. Thereafter, no claim shall be entertained by the company in respect of the dividend transferred to the Fund.

Members who have not yet encashed their dividends for the financial year ended 31st March, 2010 onwards are being individually intimated and are requested to make their claims to the Company's Registrars & Transfer Agents accordingly, without delay. It may be noted that the unclaimed dividend for the financial year ended 31st March, 2010 and 31st March, 2011 are due for transfer to the Investor Education & Protection Fund on August 31, 2017 and August 27, 2018 respectively. The details of unclaimed dividend for the financial years from 2009-10 to 2015-16 are uploaded on the Company's website at <http://www.tataelxsi.com/investors/unclaimed-divided-amount>.

It may be noted that the Ministry of Corporate Affairs (MCA) has recently notified a new Rules namely "Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016", which have come into force from September 7, 2016 as amended vide MCA notification dated February 28, 2017. The said Rules inter-alia provides for transfer of equity shares to the IEPF Authority in respect of those equity shares against which the dividends has remained unpaid or unclaimed for seven or more consecutive years. The cut-off date for determining those equity shares ought to be transferred to IEPF authority has been notified as May 31, 2017. In term of the said rules the Company has sent remainders to all the investors who have not encashed their dividend for 7 years on and from the dividend period 2009 to 2016 or before to claim their dividend so that their shares are not transferred to the IEPF demat account. The details of those equity shares alongwith the folio, name of the shareholders are available at the company's website at <http://www.tataelxsi.com/investors-relations.html>.

- m) Shareholder/s holding physical shares are requested to approach any of the Depository Participants (DP) for dematerialisation of their shares in the Company for ease and convenience.
- n) Sole shareholders, if they so desire, can file the nomination form, given at page no. 89. The duly filled in and executed form may please be sent to the Company or to the Registrar and Share Transfer Agent for further action.
- o) The route map for reaching the venue of the 28th Annual General Meeting is given at page no. 95.

Bengaluru, 27th April, 2017

By Order of the Board

Registered Office:

ITPB Road, Whitefield,
Bengaluru - 560 048.

CIN: L85110KA1989PLC009968

G Vaidyanathan
Company Secretary

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

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ('the Act') sets out all material facts relating to the business mentioned at Item Nos. 4,5 and 6 of the accompanying Notice:

Item No. 4 (Not mandatory)

At the Annual General Meeting held on 18th July, 2014, M/s. Deloitte Haskins & Sells (Firm Registration No. 008072S), Chartered Accountants, were appointed as the Statutory Auditors of the Company for a period of Three (3) years upto the conclusion of 28th Annual General Meeting (AGM) of the Company to be held in the year 2017. Accordingly, M/s. Deloitte Haskins & Sells retires at the conclusion of this AGM, pursuant to the provisions of Section 139 of the Companies Act, 2013.

The Board has decided to recommend to the members for their approval the appointment of M/s. BSR & Co. LLP (Registration No. 101248W/W-100022), Chartered Accountants, as the statutory auditors of the Company for a period of 5 years from the conclusion of this AGM till the conclusion of the 33rd AGM to be held in the year 2022, subject to ratification of their re-appointment by the members at each Annual General meeting held between the above periods.

M/s. BSR & Co. LLP, Chartered Accountants, have given the necessary certificate under section 139(1) of the Companies Act, 2013 and has confirmed that they satisfy the criteria as required under section 141 of the Act.

The Board recommends the above for the approval of members, as set out at item No.4 of the Notice.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMPs is concerned or interested in the proposed business at Item No.4 of the Notice.

Item No. 5

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, had appointed Mr. Sudhakar Rao as an Additional Director (Independent Director) of the Company with effect from August 01, 2016. In terms of Section 161 (1) of the Companies Act, 2013, Mr. Sudhakar Rao holds office up to the date of this Annual General Meeting.

The Company has received a Notice in writing and the requisite amount under Section 160 of the Companies Act, 2013 proposing Mr. Sudhakar Rao's candidature for the office of Directorship of the Company as an Independent Director. Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013. Mr. Sudhakar Rao has given necessary declaration to the Board that he meets the criteria for independence as provided u/s. 149(6) of the Act. In the opinion of the Board, Mr. S. Rao fulfills the conditions specified in the Act and the Rules framed thereunder, for appointment as Independent Director and he is independent of the management. The appointment of Mr. S. Rao is now being placed before the Members for their approval.

Brief profile of Mr. Sudhakar Rao is given below:

Mr. Sudhakar Rao is a retired Indian Administrative Service (IAS) Officer of the 1973 batch. After initial postings at the field level in Karnataka, he went on deputation to the Union Government as Under Secretary in the Ministry of Power, where he was closely associated with the work of the path breaking Rajyadhyaksha Committee on Power. He was Deputy Commissioner & District Magistrate of Shimoga District (Karnataka) during 1982 and 1983. He proceeded on deputation to the Government of India (GoI) once again after completing his district assignment, and was Deputy Secretary in the Department of Economic Affairs, Ministry of Finance and thereafter Director in the Prime Minister's Office, dealing with policy matters covering social sectors. In his subsequent deputation to GoI he was Joint Secretary in the Ministry of Power, following which he was posted as Minister (Economic) in the Embassy of India in Washington for four years.

On his return to the State Government in 2000, he held various assignments, including Chairman & Managing Director of the Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC); Principal Secretary, Finance; Principal Secretary, Home; Principal Secretary to the Chief Minister of Karnataka; Development Commissioner and finally, Chief Secretary of Karnataka, from which post he retired from Government service on 30.09.2009.

On retirement, he was appointed as a Member of the Public Enterprises Selection Board (PESB), GoI from which post he resigned on 26.10.2010 to take up other engagements.

Mr. Rao has a Master's Degree in Economics from the Delhi School of Economics and a Master's Degree in Public Administration from the Kennedy School of Government, Harvard University.

Mr. Rao is an Independent Director on the boards of several companies (including L&T IDPL, HCG and IFFCO-TOKIO). He completed his three year term as an Independent Director on the Board of Indian Oil Corporation Limited in 2014. Mr. Rao was the Group Advisor, Strategy and Development with the Manipal Educational and Medical Group (MEMG) for four years till the end of 2013.

Mr. Rao is also Chairman of BSE Limited, BSE Training Institute and BFSI Sector Skill Council of India.

Mr. Rao is involved with the work of several non-profits, including (Director) Public Affairs Centre, Bengaluru; (Chairman) Public Affairs Foundation, Bengaluru; (Chairman) Common Purpose (India); (Trustee) CMCA, Bengaluru; and (Trustee) Teacher Foundation, Bengaluru, Mr. Rao is also the current Chairman of the Advisory Committee for the National Gallery of Modern Art, Bengaluru and the Chairman of the Advisory Group of the Bangalore School of Music.

Mr. Rao was conferred the Kannada Rajyotsava Award under Public Service category by the Government of Karnataka on November 1, 2010.

Your Board considers that in view of the experience and expertise possessed by Mr. Sudhakar Rao, it would be in the interest of your Company to appoint Mr. Sudhakar Rao as an Independent Director of your Company to hold office upto July 31, 2021 with effect from August 01, 2016. The details of his directorship in other companies are given in the Annexure to the Notice.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMPs except Mr. Sudhakar Rao and his relatives is concerned or interested in the proposed business at Item No.5 of the Notice.

Item No. 6

1. Members at the 25th Annual General Meeting held on July 18, 2014 had re-appointed, Mr. Madhukar Dev as the Managing Director & CEO of the Company for a period of 3 years effective January 16, 2014. His present term of appointment expired on January 15, 2017.
2. On the recommendation of the Nomination & Remuneration Committee (NRC), the Board of Directors at their meeting held on October 28, 2016, subject to the approval of the Members, has unanimously approved the re-appointment of Mr. Madhukar Dev, as the Managing Director & CEO of the Company for a period of 2 years, 8 months and 16 days from January 16, 2017 to October 01, 2019 on the terms and conditions as given below.
3. Mr. Madhukar Dev joined Tata Elxsi in 1991 as Regional Manager. After a very successful stint in the Regional Manager role, he moved to Bangalore to head the sales and support functions for domestic operations. Mr. Madhukar's contribution to the company both strategic and financial has led him to his current designation of Managing Director which position he holds since 2002. He transformed the Company from a System Integration Company to more diverse Company in the field of Engineering services, structuring the company into Business Divisions of Embedded Product Design, Industrial Design, System Integration and also VFX and Animation (VCL). Thus the positioning facilitated Tata Elxsi to reach this position over the years under his leadership. In a career spanning more than 30 years, Mr. Madhukar has held positions in diverse corporations spread across industries like power electronics, computer systems, and publishing. In his role, he is responsible overall for the Company's strategic direction and result.

Mr. Madhukar holds a Post-graduate degree, M.Sc, in Nuclear Physics from MS University of Baroda and is a Management Graduate (MBA) from The Indian Institute of Management, Bangalore (IIM-B).

The followings are the Highlights of the Company's growth from 2002 to 2017 during the tenure of Mr. Madhukar Dev as Executive Director / Managing Director & CEO:

	2001-2002 (₹ in Crs)	2016-2017 (₹ in Crs)
Turnover	132	1249
Profit Before Tax	20	261
Profit After Tax	17	173
Market Capitalisation	257	4624
No. of Employees	1000	5205

The terms of re-appointment of Mr. Madhukar Dev, Managing Director & CEO inter alia, include the following:

- i. **Nature of Duties:** Subject to the supervision and control of the Board of Directors of the Company, the Managing Director & CEO shall be in charge of the affairs of the Company and exercise such functions and powers as shall from time to time be entrusted to him by the Board of Directors.
- ii. **Period of Agreement:** From 16th January, 2017 to 1st October, 2019.
- iii. **Remuneration:** ₹ 7,68,066/- per month, up to a maximum of ₹ 15,00,000/- per month with authority to the Board or Committee of Board, on the recommendation of the NRC, to fix the salary within the above maximum amount from time to time. The annual increments which will be effective 1st April each year, will be decided by the Board, on the recommendation of NRC, and will be merit-based and take into account the Company's performance as well.

iv. **Benefits, Perquisites, and Allowances:**

Details of Benefits, Perquisites, and Allowances are as follows:

- i. Rent-free residential accommodation (partly furnished or otherwise) with the Company bearing the cost of repairs, maintenance, society charges and utilities (e.g., gas, electricity, and water charges) for the said accommodation or house rent, house maintenance and utility allowances aggregating 85% of the Basic Salary (in case residential accommodation is not provided by the Company).
- ii. Hospitalisation and major medical expenses, Car facility, Telecommunication facility and Housing loan facility as per Rules of the Company.

- iii. Other perquisites and allowances given below subject to a maximum of 55% of the Basic Salary; this shall include medical allowance, leave travel concession / allowance and other allowances / personal accident insurance / club membership fees.
- iv. Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity Fund as per the Rules of the Company.
- v. Leave and encashment of unavailed leave as per the Rules of the Company.
- v. **Commission:** In addition to Salary, Benefits, Perquisites and Allowances, the MD&CEO would be paid such remuneration by way of Commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of the Company subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD&CEO will be based on his performance as evaluated by the Board or the NRC and approved by the Board and will be payable annually after the annual accounts have been approved by the Board.
- vi. **Minimum Remuneration:** Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Managing Director & CEO, the Company has no profits or its profits are inadequate, the Company will pay Remuneration by way of salary, incentive remuneration and perquisites & allowances as specified above.
- vii. **Termination:** The appointment of the Managing Director & CEO may be terminated either by the Company or the Managing Director & CEO by giving six month notice or the Company paying six months remuneration in lieu of such notice.

The employment of the Managing Director & CEO may be terminated by the Company without notice or payment in lieu of notice if (i) he is found guilty of any gross negligence, default or misconduct with or affecting the business of the Company, its subsidiaries or associates, (ii) in the event of any serious or repeated or continuing breach (after prior warning) or non-observance of any stipulations contained in the terms of his appointment, or (iii) in the event the Board loses confidence in him.
- viii. The terms and conditions of the said appointment and/or agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to the Managing Director & CEO.
- ix. If at any time the Managing Director & CEO ceases to be a Director for any cause whatsoever, he shall also cease to be the Managing Director & CEO of the Company.
- x. If at any time the Managing Director & CEO ceases to be the Managing Director of the Company for any cause whatsoever, he shall also cease to be a Director of the Company.
- xi. The Managing Director & CEO shall not be entitled to supplement his earnings under the agreement with any buying or selling commissions. He shall not also become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company, without prior approval of the Central Government.
- xii. All Personnel Policies of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the Managing Director & CEO, unless specifically provided otherwise.
- xiii. The Managing Director & CEO is being appointed as a Director by virtue of his employment in the Company and his appointment shall be subject to the provisions of Section 167(c) & (d).
- xiv. The Managing Director shall not have the following powers:
 - i. to make calls on members in respect of moneys unpaid on shares in the Company;
 - ii. to issue debentures;
 - iii. to invest funds of the Company in shares, stocks and securities; and
 - iv. to buy back shares of the Company.

4. The Directors recommend the resolution at Item No. 6 of the accompanying Notice for approval of the Members of the Company.

5. The draft agreement to be entered into between the Company and Mr. Madhukar Dev is available for inspection at the registered office of the Company on any working day between 11.00 a.m. and 1.00 p.m.
6. None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMPs except Mr. Madhukar Dev and his relatives is concerned or interested in the proposed business at Item No.6 of the Notice.

Bengaluru, 27th April, 2017

By Order of the Board

Registered Office:
ITPB Road, Whitefield,
Bengaluru - 560 048.
CIN: L85110KA1989PLC009968

G Vaidyanathan
Company Secretary

ANNEXURE

Information pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding appointment of a new Director/s or re-appointment of a Director/s;

Name of the Director	Dr. G. Katragadda	Mr. Sudhakar Rao	Mr. Madhukar Dev
Date of Birth	08.05.1968	03.09.1949	02.10.1954
Date of appointment	20.11.2014	01.08.2016	16.01.2002
Specialised Expertise	IT Industry and General Management	General Management & Administration	IT Industry and General Management
Qualifications	MS and PhD degrees in electrical engineering from Iowa State University, Ames, Iowa.	M.A (Economics) ,Delhi School of Economics ;	M.Sc. (Nuclear Physics);
		M.A (Public Administration) , Kennedy School of Government, Harvard University	MBA IIM (Bangalore)
Directorships of other companies* as at 31 st March, 2017	Tata Communications limited (Director)	1. Healthcare Global Enterprises Limited (Independent Director) 2. BSE Limited (Chairman)	Nil
Chairmanship/ Membership of other Committees** as at 31 st March, 2017		1. Member-Audit Committee (BSE Limited) 2. Member-SRC (BSE Limited) 3. Member-Audit Committee (Healthcare Global Enterprises Limited)	Nil
	Chairman of Committees - Nil	Chairman of Committees - Nil	Nil
No. of shares held in the Company as on 31 st March, 2017	Nil	Nil	1100

* Excludes private/foreign companies

** Only Audit and Stakeholders Relationship Committees are considered