



ZEN TECHNOLOGIES LIMITED

Regd. Office: B-42, Industrial Estate, Sanathnagar, Hyderabad – 500018

CIN: L72200TG1993PLC015939

Ph: +91 40 23813281, Fax: +91 40 23813694

Email: investors@zentechnologies.com; Website: www.zentechnologies.com

POSTAL BALLOT NOTICE

(Pursuant to the Provisions of Section 110 of the Companies Act, 2013 and Rules made thereunder)

Dear Member(s),

Date: 30 January 2015

Notice is hereby given pursuant to Section 110 and other provisions, if any, of the Companies Act, 2013 (the "Act") read with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, to the Members of M/s Zen Technologies Limited that the resolution set out below is proposed to be passed through Postal Ballot / e-voting:

Allocation of sub-limits for Portfolio Investment for Registered Foreign Portfolio Investor/s (RFPs) (including Qualified Foreign Investor/s (QFIs) and Foreign Institutional Investor/s (FIIs)), Foreign Venture Capital Investor/s (FVCIs) and Non Resident Indian/s (NRIs) within the default portfolio investment limit of 24% of the paid-up equity share capital of the Company

The Company seeks the consent of the Members for the aforesaid proposal through Special Resolution as specified herein below.

Accordingly, draft of the proposed Resolution together with the explanatory statement setting out the material facts and reasons for the Resolution appended below is being sent along with a Postal Ballot Form for your consideration and approval.

The Company has appointed Mr Mahadev Tirunagari, Practicing Company Secretary as Scrutinizer for conducting the postal ballot voting process in a fair and transparent manner.

Members are requested to carefully read the instructions printed in the Postal Ballot Form, record your assent or dissent therein and return the Form in original duly completed and signed, in the attached self-addressed, postage pre-paid business envelope so as to reach the Scrutinizer before the close of working hours i.e., 18.00 hours, on or before Saturday, the 7 March 2015. Please note that any postal ballot form(s) received after the said date will be treated as not having been received as per Rule 22(12) of the Companies (Management and Administration) Rules, 2014. No other Form or photocopy thereof is permitted.

The Scrutinizer, after completion of the scrutiny, will submit his report to the Chairman and Managing Director or Company Secretary & Compliance Officer of the Company. The result of the voting by postal ballot will be declared in accordance with the provisions of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 on Monday, the 9 March 2015 at the Registered Office of the Company. The result of postal ballot will also be posted on the Company's website www.zentechnologies.com and will be communicated to BSE Limited, where the equity shares of the Company are listed. The result of postal ballot shall also be announced through news paper advertisement.

E-Voting

The Company pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Clause 35B of the Equity Listing Agreement with the Stock Exchange is pleased to offer E-voting facility for the members to enable them to cast their votes electronically. Please carefully read and follow the instructions on e-voting printed in this Notice.

Special Business:

Allocation of sub-limits for Portfolio Investment for Registered Foreign Portfolio Investor/s (RFPs) (including Qualified Foreign Investor/s (QFIs) and Foreign Institutional Investor/s (FIIs)), Foreign Venture Capital Investor/s (FVCIs) and Non Resident Indian/s (NRIs) within the default portfolio investment limit of 24% of the paid-up equity share capital 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 applicable provisions of the Foreign Exchange Management Act, 1999 (which along with the regulations framed thereunder be referred to as “FEMA”), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, Foreign Direct Investment Policy, Reserve Bank of India Circular/s, the Companies Act, 2013 and all other applicable Acts, Circulars, Directions, Rules, Regulations, Notifications, Press Notes, Guidelines, and Laws (including any statutory modification(s), amendment or re-enactment thereof for the time being in force) and subject to all requisite approvals, consents, permissions and sanctions, and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, consents, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board”), the consent of the Company be and is hereby accorded for investments by Registered Foreign Portfolio Investor/s (RFPs) (including Qualified Foreign Investor/s (QFIs) and Foreign Institutional Investor/s (FIIs)), Foreign Venture Capital Investor/s (FVCIs), by whatever name called registered with the Securities and Exchange Board of India (“SEBI”), and Non Resident Indian/s (NRIs), in the equity shares of the Company, by purchase or acquisition from the market under the Portfolio Investment Scheme under FEMA, subject to the condition that:

- a) the total holding of all RFPs (including QFIs and FIIs) and FVCIs put together shall not exceed aggregate limit of 20%; and
- b) the total NRIs holding shall not exceed 4%;

within the default portfolio investment limit of 24% of the paid-up equity share capital of the Company or such other maximum limit as may be prescribed from time to time.

RESOLVED FURTHER THAT the above said limits of the holdings of RFPs, FVCIs and NRIs be subject to such conditions as may be imposed by Reserve Bank of India or any other Statutory Authority/ies in force, whose permission or sanction may be required under any Law.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, proper and expedient for the purpose of giving effect to this resolution including intimating the concerned authorities or such other regulatory body and for the matters connected therein or incidental thereto.”

By Order of the Board
For **Zen Technologies Limited**

M Amala
Company Secretary
(M.No. FCS 7611)

Place : Hyderabad
Date : 30 January 2015

Registered Office:
B-42, Industrial Estate, Sanathnagar,
Hyderabad - 500018, Telangana

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

In terms of applicable provisions of the Foreign Exchange Management Act, 1999 (which along with the regulations framed thereunder be referred to as “FEMA”), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 (including any statutory modification(s), amendment or re-enactment thereof for the time being in force), and pursuant to Reserve Bank of India A.P. (DIR Series) Circular No. 46 dated 8 December 2014 on Foreign Direct Investment (FDI) in India - Review of FDI policy -Sector Specific conditions- Defence, the Company is required to pass the resolution for allocation of sub-limits for Portfolio Investment for Registered Foreign Portfolio Investor/s (including Qualified Foreign Investor/s and Foreign Institutional Investor/s), Foreign Venture Capital Investor/s and for Non Resident Indian/s not exceeding 10 percent in the shares of the Company, within the default portfolio investment limit of 24 percent of the paid-up equity share capital of the Company to enable RBI to monitor the RFPs, FVCIs and NRIs holdings of the Company.

The Board of Directors of the Company, through resolution passed by circulation dated 30 January 2015, approved, subject to the approval of the Members by way of a Special Resolution, to allocate the limits as provided in the resolution above.

Hence, the Board of Directors recommends the Special Resolution set out in the Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof is interested or concerned in the proposed Special resolution financial or otherwise except to the extent of their shareholding. The proposed Resolution do not relate to or affect any other Company.

Your approval is sought by voting through Postal Ballot or through e-voting, as the case may be, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 for passing the Resolution as set out in this Notice.

By Order of the Board
For **Zen Technologies Limited**

Place : Hyderabad
Date : 30 January 2015

M Amala
Company Secretary
(M.No. FCS 7611)

Registered Office:
B-42, Industrial Estate, Sanathnagar,
Hyderabad - 500018, Telangana

NOTES

1. Voting period commences on and from Friday, the 6 February 2015 at 10.00 hours and ends on close of working hours i.e., 18.00 hours, Saturday, the 7 March 2015.
2. The Explanatory Statement for the proposed resolution mentioned above pursuant to Section 102 of the Companies Act, 2013 setting out material facts is annexed to the Notice.
3. The Notice is being sent to all the members by Post / courier (and electronically by email to those members who have registered their email id with the depositories or with the Company), whose names appear in the Register of Members / Record of Depositories as on Friday, the 30 January 2015.
4. The Board of Directors of the Company, through resolution passed by circulation dated 30 January 2015, appointed Mr Mahadev Tirunagari, Practicing Company Secretary as the Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner. The Postal Ballot Form and the Self-addressed postage prepaid envelope are enclosed for use by the members.

5. Voting in Electronic Form (E-voting):

In compliance with provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and the Equity Listing Agreement with the Stock Exchange, the Company is pleased to offer E-voting facility as an option to all its members to enable them to cast their votes electronically. For the purpose of E-voting, the Company has entered into an agreement with Karvy Computershare Private Limited (Karvy) for facilitating E-voting. E-voting is optional.

a) 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 ID For Members holding shares in Physical Form:- EVEN 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 alphabets and numbers in the exact way as they are displayed for security reasons.

- (iii) Please contact our Toll free No. 1-800-34-54-001 for any further clarifications.
- (iv) After entering these details appropriately, click on "LOGIN".
- (v) 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 M/s Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile no., 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.

- (vi) You need to login again with the new credentials.
 - (vii) On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.
 - (viii) If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and casted your vote earlier for any company, then your existing login id and password are to be used.
 - (ix) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number 'FOR/AGAINST' taken together should not exceed your total shareholding.
 - (x) 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.
 - (xi) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote subsequently.
 - (xii) Corporate/Institutional Members (corporate/FIs/FILs/Trust/Mutual Funds/Banks, etc) are required to send the relevant Board resolution (PDF format) to the Scrutinizer through e-mail: mahadev.pcs@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."
 - (xiii) Members can cast their vote online from 10.00 hours, Friday, the 6 February 2015 till 18.00 hours, Saturday, the 7 March 2015.
- b) Members who have registered their e-mail IDs for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and others are sent by post/ courier along with Postal Ballot Form. Members who have received the Postal Ballot Notice by email and who wish to vote through Postal Ballot Form can download Postal Ballot Form from the Company's website www.zentechnologies.com or seek duplicate Postal Ballot Form from M/s Karvy Computershare Private Limited, Plot No. 17 to 24, Vithal Rao Nagar, Madhapur, Hyderabad - 500081, Telangana, fill in the requisite details and send the same to the Scrutinizer on or before Saturday, the 7 March 2015 till 18.00 hours.
- c) **In case of Members' receiving Postal Ballot Form by Post:**

Please follow the instructions overleaf the Postal Ballot Form to cast your vote in Physical Postal Ballot mode.

6. **Members have option to vote either through E-voting or through the Postal ballot Form. If a member has opted for E-voting, then he/she should not vote by Postal Ballot also and vice-versa. However, in case members cast their vote both via physical ballot and E-voting, then voting done by E-voting shall prevail and voting through physical ballot shall be treated as invalid.**
7. Member desiring to exercise vote by Postal Ballot may complete the Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed envelope. The self addressed envelope bears the address of the Scrutinizer. Postage will be borne and paid by the Company. However, the envelope containing the Postal Ballot Form, if sent by courier at the expense of the shareholder, will also be accepted.
8. The voting rights shall be reckoned on the paid-up value of the equity shares of the Company registered in the name of the members as on the cut-off date of Friday the 30 January 2015.
9. The voting period ends at 18.00 hours, Saturday the 7 March 2015. Assent/Dissent received after 7 March 2015 would be strictly treated as if reply from the shareholder has not been received.
10. In the event, the draft resolution are assented to by the requisite majority of Shareholders by means of Postal Ballot, the date of declaration of Postal Ballot result shall be deemed to be the date of passing of the said resolution.
11. All the documents referred to in the accompanying Notice and explanatory Statement are open for inspection by the members at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on all working days except Saturdays, Sundays and Public Holidays till the conclusion of the Postal Ballot from the date of dispatch of Notice.



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POSTAL BALLOT FORM

(To be returned to the Scrutinizer appointed by the Company)

Serial No: _____

1. Name and registered address of the sole/first
named Member _____ :

2. Name(s) of joint member(s), if any _____ :

3. Registered Folio No. / DP ID No. / Client ID No.* _____ :
(* Applicable to investors holding Shares
in dematerialized form)

4. Number of equity shares held _____ :

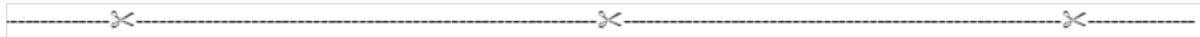
I / We hereby exercise my / our vote in respect of the Resolution to be passed through postal ballot for the business stated in the Postal Ballot Notice of the Company by sending my / our assent (FOR) or dissent (AGAINST) to the said Resolution by placing the tick (✓) mark at the appropriate box below:

Description and Type of Resolution	Number of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Allocation of sub-limits for Portfolio Investment for RFPs (including QFIs and FIIs), FVCIs and NRIs within the default portfolio investment limit of 24% of the paid-up equity share capital of the Company			

Place: _____

Date: _____

(Signature of the Member)



ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	User ID	Password /PIN

Notes:

- 1) Please read the instructions printed overleaf carefully before completing this form.
- 2) For e-voting, please refer the instructions under "Voting in Electronic Form (E-voting)" in the Postal Ballot Notice attached herewith.

INSTRUCTIONS

1. A member desiring to exercise voting right by physical postal ballot may complete this Postal Ballot Form in all respects and send it to the Scrutinizer, Mr Mahadev Tirunagari, Practicing Company Secretary in the attached self-addressed postage prepaid envelope. However, envelopes containing Postal Ballot Forms, if deposited in person or sent by courier at the expense of the members will also be accepted.
2. The self-addressed business reply envelope bears the address of the Scrutinizer.
3. This form should be completed and signed by the sole/first named member. In case of joint holding, the form should be completed and signed by the first named member and in his/her absence by the next named member. The signature of the member on this Postal Ballot Form should be as per the specimen signature registered with the Company or furnished by National Securities Depository Limited / Central Depository Services (India) Limited to the Company, in respect of shares held in the physical form or dematerialized form, respectively.
4. In case, shares are held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by certified true copy of the Board Resolution / Authority together with attested specimen signatures of the duly authorized signatory (ies).
5. Members are requested not to send any other papers along with the Postal Ballot Form in the enclosed self-addressed postage prepaid envelope. If any extraneous paper is found in such envelope, the same would not be considered and would be destroyed by the Scrutinizer.
6. A tick (✓) mark should be placed in the appropriate column signifying assent / dissent for each of the Resolution, as the case may be, before mailing the Postal Ballot Form.
7. There will be only one Postal Ballot Form for every folio irrespective of the number of joint Member(s). The photocopy of the Postal Ballot Form will not be considered valid.
8. Members are entitled to cast their votes differently i.e. all the votes either in favour or against or partly in favour or against.
9. Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours (18.00 hours) on Saturday, the 7 March 2015. Postal Ballot Form received after this date will be strictly treated as if the reply from the member has not been received.
10. Members have the option either to vote through the e-voting process or through the Postal Ballot Form. Members who have received the Postal Ballot Notice by email and who wish to vote through Postal Ballot Form can download Postal Ballot Form from the Company's website www.zentechologies.com or seek duplicate Postal Ballot Form from M/s Karvy Computershare Private Limited, Plot No. 17 to 24, Vithal Rao Nagar, Madhapur, Hyderabad – 500081, Telangana, India, fill in the requisite details and send the same to the Scrutinizer on or before Saturday, the 7 March 2015 till 18.00 hours.
11. Voting rights shall be reckoned on the paid-up value of the equity shares registered in the name of the members on the cut-off date i.e., Friday, the 30 January 2015.
12. Postal Ballot cannot be exercised by a Proxy.
13. Votes will be considered invalid on the following grounds:
 - i) If the member's signature does not tally.
 - ii) If the member has marked all his shares both in favour and also against the resolutions.
 - iii) If the Ballot paper is unsigned, incomplete or incorrect.
 - iv) If the Ballot paper is filled in pencil or signed in pencil.
 - v) If the Ballot paper is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the member or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked or one or more of the above grounds.
14. The Scrutinizer's decision on the validity of the Postal Ballot Form will be final.
15. All the documents referred to in the accompanying Notice and explanatory statement are open for inspection by the members at the Registered Office of the Company on all working days except Saturdays, Sundays and Public Holidays between 11.00 a.m. to 1.00 p.m till the conclusion of the Postal Ballot from the date of dispatch of Notice.
16. Contact details: - Registrar and Share Transfer Agents Hyderabad office:- M/s. Karvy Computershare Pvt. Ltd., Unit: Zen Technologies Limited, Plot No. 17-24, Vithal Rao Nagar Madhapur, Hyderabad-500081, E-mail id: einward.ris@karvy.com Ph. no.: 040-44655000.