

# Notice to shareholders

Notice is hereby given that the 28<sup>th</sup> Annual General Meeting (AGM) of the members of **Zen Technologies Limited** (CIN: L72200TG1993PLC015939) (the Company) will be held on Saturday, the 28<sup>th</sup> day of August, 2021 at 10:00 a.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business(s):

## ORDINARY BUSINESS:

### 1. Adoption of Audited Standalone Financial Statements.

To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 and the Reports of the Board of Directors and Auditors thereon and in this regard, pass the following resolution as Ordinary Resolution:

**"RESOLVED THAT** the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

### 2. Adoption of Audited Consolidated Financial Statements.

To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 and the Report of the Auditors thereon and in this regard, pass the following resolution as Ordinary Resolution.

**"RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

### 3. Declaration of Dividend on the equity shares.

To declare Dividend on equity shares for the financial year ended 31<sup>st</sup> March, 2021 and in this regard, pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** a dividend at the rate of Re. 0.10/- (Ten Paise Only) per equity share of Re. 1/- (one rupee) each fully paid-up equity share be and is hereby declared for the financial year ended 31<sup>st</sup> March, 2021 and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the financial year ended 31<sup>st</sup> March, 2021."

### 4. Appointment of Mr Ashok Atluri as Director, liable to retire by rotation.

To appoint a director in place of Mr. Ashok Atluri (DIN: 00056050), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Ashok Atluri (DIN: 00056050), who retires by rotation at this meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

## SPECIAL BUSINESS:

### 5. Re-appointment of Mr. Amreek Singh Sandhu as an Independent Director of the Company.

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder read with Schedule IV

to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and recommendation of Nomination and Remuneration Committee, Mr. Amreek Singh Sandhu (DIN: 08064880), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 03<sup>rd</sup> February, 2021 and who has submitted a declaration that he meets the criteria of Independence under Section 149 of the Companies Act, 2013 and is eligible for re-appointment, be and is hereby reappointed as an Independent Director of the Company to hold office for second and final term of 3 (Three) consecutive years i.e., from 03<sup>rd</sup> February, 2021 to 03<sup>rd</sup> February, 2024."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

### 6. Re-appointment of Dr. Ravindra Kumar Tyagi as an Independent Director of the Company.

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder read with Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and recommendation of Nomination and Remuneration Committee, Dr. Ravindra Kumar Tyagi (DIN: 01509031) who was appointed as an Independent Director of the Company for a term of 3 (three) years upto 31<sup>st</sup> March 2022 by the shareholders and in respect of whom the Company has received a notice in writing from the Director under Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director be and is hereby re-appointed as an Independent Director of the Company for a second and final term of 3 (three) consecutive years effective immediately after expiry of his current term on 31<sup>st</sup> March 2022 i.e. from 01<sup>st</sup> April, 2022 till 31<sup>st</sup> March, 2025."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

### 7. Appointment of Ms. Shilpa Choudari as the Whole-Time Director and fixing remuneration.

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

**"RESOLVED THAT** pursuant to the provisions of section 160, 161 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder and pursuant to any other law for

the time being in force, **Ms. Shilpa Choudari (DIN: 06646539)** who was appointed as additional director of the Company on 01<sup>st</sup> November, 2020 and who holds office till the date of this Annual General Meeting and whose candidature is proposed for directorship of the Company be and is hereby appointed as director liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to Sections 196, 197, 203 and all other applicable provisions of the Companies Act, 2013 and rules made thereunder, read with Schedule V to the said Act, Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and recommendation of the Nomination and Remuneration Committee, **Ms. Shilpa Choudari (DIN: 06646539)** be and is hereby appointed as the Whole Time Director of the Company for a period of Three (3) years from 01<sup>st</sup> November 2020 to 31<sup>st</sup> October 2023, whose office is liable to retire by rotation, on the terms and conditions and at a remuneration as set out in the statement herein below:

**A. SALARY:** ₹ 1,42,857/- (Rupees One Lakh Forty Two Thousand Eight Hundred and Fifty Seven Only) per month.

**B. PERQUISITES:** In addition to the above, she shall be entitled to the following perquisites classified into three categories I, II & III as follows:

#### CATEGORY – I

The following perquisites given in this Category will be allowed in addition to the salary and restricted to a maximum amount of ₹ 12,00,000/- (Rupees Twelve Lakhs only) per annum.

- a) House Rent Allowance: House Rent Allowance at the rate of forty percent of salary (40%). The expenditure incurred by the Company on gas, electricity, water and furnishing shall be evaluated as per the Income Tax Rules, 1962 subject to a ceiling of ten percent of the salary (10%).
- b) Medical Reimbursement: As provided by the company group medical insurance policy.
- c) Leave Travel Concession: For self and family, once in a year incurred in accordance with the rules specified by the Company.
- d) Club Fee: Fee of clubs subject to maximum of two clubs. This will not include admission and life membership fees.
- e) Personal Accident Insurance: As per Company's policy.

#### CATEGORY – II

f) The Company's contribution to provident fund, superannuation fund or annuity fund shall be in accordance with the rules and regulations of the Company. Such contribution will not be included in the computation of the ceiling on perquisites to the extent either singly or put together are not taxable under the Income Tax Act, 1961.

g) Gratuity as per the Gratuity Act, 1972.

#### CATEGORY – III

h) Use of Car with Driver: The Company shall provide a car with driver for business use. The Company will bill use of car for personal purposes.

i) Communication facilities: The Company will provide all communication facilities like Telephone / Internet / Mobiles / Fax at residence of the Whole-Time Director and will pay the bills on actual basis. Personal long distance telephone calls shall be borne by Ms. Shilpa Choudari.

#### C. OTHER TERMS:

- a) Encashment of Leave at the end of tenure shall be allowed as per the Company Rules. Leave accumulate but not availed in the previous financial year will be carried forward to next financial year as per the Company Rules.
- b) Reimbursement of reasonable entertainment and other expenses actually and properly incurred in connection with the business of the Company.
- c) Ms. Shilpa Choudari shall not, so long as she functions as the Whole Time Director, be entitled to receive any fee for attending any meeting of the Board or Committee thereof.
- d) Notice period and other terms regarding cessation of employment shall be governed as per the rules of the company.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution.

**RESOLVED FURTHER THAT** the aggregate remuneration inclusive of salary and other benefits to Ms. Shilpa Choudari shall always be within the overall ceiling laid down in Section 196, 197 and 203 and other applicable provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits, in any financial year during the tenure of Whole-Time Director, salary, perquisites and other allowances as specified above under the points "A", "B", "C" shall be paid as minimum remuneration in accordance with the provisions of Schedule V read with Sections 197 of the Companies Act, 2013.

#### 8. Revision in Remuneration of Mr. Kishore Dutt Atluri, to office as President of the Company.

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 188 of the Companies Act, 2013 read with rules made there under and other applicable provisions, if any, of the Companies Act, 2013 and also pursuant to the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to recommendation of Audit and Nomination and Remuneration Committees, consent of the members be and is hereby accorded for revision of remuneration payable to Mr. Kishore Dutt Atluri, brother of Mr. Ashok Atluri, Chairman and Managing Director of the Company, to hold and continue to hold office as President of the Company for a period of five years with effect from 01<sup>st</sup> October 2020 on the following terms and conditions and remuneration and/or upon such revised terms and conditions as

recommended by the Nomination and Remuneration Committee and approved by the Board from time to time:

**A. Basic Salary** – ₹ 3,00,000/- (Rupees Three Lakh only) per month.

**B. Housing –**

- i) Where accommodation in the company owned house is provided, he will pay 10% of his salary towards house rent;
- ii) Where hired accommodation is provided, the expenditure incurred on hiring furnished accommodation, including maintenance cost, to him will be borne by the company;
- iii) In case, the Company does not provide accommodation, house rent allowance shall be paid @ 40% of the salary and;
- iv) The expenditure incurred by the Company on gas, electricity, water and furnishing shall be evaluated as per the Income Tax Rules, subject to a ceiling of ten percent of the salary (10%).

**C. Incentive** – @1% based on Net Sales of the Company for each financial year.

**D. Other Perquisites and Allowances** – In addition to the prescribed Basic Salary, Housing and Incentive, Mr. Kishore Dutt Atluri will also be entitled to the following perquisites and allowances restricted to a maximum amount of ₹ 12,00,000/- (Rupees Twelve Lakhs only) per annum:

- i. **Mediclaime Insurance:** As provided by the company group medical insurance policy.
- ii. **Club Fee:** Fee of clubs subject to maximum of two clubs. This will not include admission and life membership fees.
- iii. **Personal Accident Insurance:** As per the Company's policy.
- iv. **Gratuity:** As per the Gratuity Act, 1972.
- v. **Use of Car with Driver:** The Company shall provide a car with driver for business use. The Company will bill use of car for personal purposes.
- vi. **Communication facilities:** The Company will provide all communication facilities like Telephone / Internet / Mobiles / Fax at residence of Mr. Kishore Dutt Atluri and will pay the bills on actual basis.

**E. Increment** – During his tenure as President, Mr. Kishore Dutt Atluri, be paid an annual increment not exceeding 15% of the salary and allowances which shall be subject to the company's policy and the approval of the Board of Directors of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee to exercise its powers including the powers conferred by this resolution) be and is hereby

authorized to alter or vary the terms relating to the payment of remuneration as it may deem fit in the interest of the Company and to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto, and to settle and finalize all issues that may arise in this regard, without further referring to the Members of the Company, including without limitation to finalizing and executing any agreement, deeds and such other documents as may be necessary and to delegate all or any of the powers vested or conferred herein to any Director(s) or Officer(s) of the Company as may be required to give effect to this resolution."

**9. To approve Zen Technologies Limited Employee Stock Option Plan-2021 ("ZEN ESOS 2021"/ "Scheme") and grant of Employee Stock Options (ESOPs) under ZEN ESOS 2021.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 62(1) (b) and all other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "**SEBI (SBEB) Regulations**"), Securities Exchange Board of India (**SEBI**) Circular No. CIR/CFD/POLICY CELL/2/2015 dated 16 June 2015 ("Circular"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") as amended from time to time, and in accordance with such other circulars rules, regulations and guidelines issued or that may be issued by SEBI and/or other appropriate authorities, from time to time, and further subject to such other approvals, permissions and sanctions as may be necessary, the approval of the members of the Company be and is hereby accorded to introduce, approve, notify and implement the scheme titled as "**Zen Technologies Limited Employee Stock Option Plan-2021**" (hereinafter referred to as the "**ZEN ESOS 2021**"/ "**Scheme**"), to authorise the Board of Directors of the Company [hereinafter referred to as the "**Board**", which term shall be deemed to include the Nomination and Remuneration Committee which has been duly constituted by the Board and has been designated as the Compensation Committee pursuant to Regulation 5 of SEBI (SBEB) Regulations, to exercise its powers, including the powers conferred under this resolution (hereinafter referred as "**the NRC**)], to create, issue, offer, grant, allot and/or transfer from time to time, in one or more tranches upto 40,00,000 (Forty Lakhs) Employee Stock Options ("**ESOPs**") exercisable into 40,00,000 (Forty Lakhs) Equity Shares of face value Re. 1/- (Rupee One) each to and for the benefit of eligible persons of the Company (including the present and future employees) whether the whole-time director or not, whether in India or abroad, (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company) and to the Employee(s) of any existing and future subsidiary company(ies) of the Company whether in or outside India and such other persons as may be decided by the Board from time to time be eligible under applicable law(s) (hereinafter referred to as "**Employees**") under **ZEN ESOS 2021** through Zen Technologies Limited Employee Welfare Trust (hereinafter referred to as "**Trust**") to be set-up by the Company, on such terms and in such manner including the price of ESOP as the Board may decide in accordance with the provisions of the law as may be prevailing at the relevant time."

**“RESOLVED FURTHER THAT** subject to the terms and salient features of the scheme mentioned in the explanatory statement to this resolution, which are hereby approved by the Members, the consent of the members of the Company be and is hereby accorded to the Board (including the NRC or such other person(s) as may be authorised by the NRC), to administer, superintendent and implement the **ZEN ESOS 2021** in due compliance and in conformity with applicable laws in this regard.”

**“RESOLVED FURTHER THAT** the equity shares to be transferred on exercise of stock options shall be allocated to the Employees through a Trust, which shall be set up by the Company in any permissible manner for implementation and/or administration of of **ZEN ESOS 2021** and in accordance with the provisions of applicable laws and the company and/or its subsidiary(ies) may provide monies/loan to the Trust from time to time, on such terms as it may think fit, to enable the Trust to subscribe and/or purchase the equity shares of the Company.”

**“RESOLVED FURTHER THAT** the Equity Shares to be allotted and issued by the Company in the manner aforesaid shall rank pari-passu in all respects with the then existing Equity Shares of the Company”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of equity shares allotted under **ZEN ESOS 2021** on BSE Limited and National Stock Exchange of India Limited or any other Stock Exchange where the securities of the Company are listed, as per SEBI (LODR) Regulations, 2015, SEBI (SBEB) Regulations and other applicable laws and regulations.”

**“RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, changes in capital structure, merger and sale of division/undertaking or any other re-organisation, if any, additional equity shares are issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the employee stock options granted earlier, the ceiling of 40,00,000 ESOPs shall be deemed to be increased, to the extent of such additional equity shares issued and as may be determined by the Board without affecting any other rights or obligations of the said grantees.”

**“RESOLVED FURTHER THAT** in case the equity shares of the Company are either subdivided or consolidated, the number of equity shares to be transferred on the exercise of options granted and/or the price of acquisition per equity share payable by the Employees under **ZEN ESOS 2021** shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of Re. 1/- (Rupee One) per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the Employees.”

**“RESOLVED FURTHER THAT** the number of ESOPs that may be granted to the Employees, in any financial year and in aggregate under the **ZEN ESOS 2021** shall be less than 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company.”

**“RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed under Regulation 15 of the SEBI (SBEB) Regulations and any other applicable laws and regulations to the extent relevant and applicable in connection with the implementation of **ZEN ESOS 2021**”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to make, sign, execute, submit, acknowledge, endorse, applications, deeds, documents, papers, grant letters, intimations and such other documents as may be required and/or in its absolute discretion as it may deem necessary for notification, administration, superintendence and implementation of the **ZEN ESOS 2021** and to take such steps and do all such acts, deeds things and matters in this regard including but not limited appointment of Merchant Bankers, Solicitors, Registrars and other Advisors, Consultants or Representatives, filing of necessary forms and applications, intimations and disclosures with concerned authorities, Institutions for their requisite approvals as may be required under applicable laws from time to time without being required to seek any further consent or approval of the Members of the Company.”

**“RESOLVED FURTHER THAT** subject to compliance with applicable laws the Board be and is hereby authorized to modify, change, vary, alter, amend, suspend or terminate the **ZEN ESOS 2021** and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members of the Company and to execute all such deeds, documents and writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the **ZEN ESOS 2021** and to do things which may be incidental and/or ancillary thereof including to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary for such purpose.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of its powers conferred in the aforesaid resolutions for administration, implementation and superintendence of the **ZEN ESOS 2021** to Committee, Trust established in this regard and shall also be authorised to nominate and appoint one or more officers of the Company for carrying out any or all of the activities that the Board is authorised to do for the purpose of giving effect to these resolutions.”

**“RESOLVED FURTHER THAT** all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.”

**10. To approve grant of Employee Stock Options to the Employees of Subsidiaries of the company under “Zen Technologies Limited Employee Stock Option Plan-2021”.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, read along with rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as **“SEBI (SBEB) Regulations”**), Securities Exchange Board of India (SEBI) Circular No. CIR/CFD/POLICY CELL/2/2015 dated 16 June 2015 (**“Circular”**), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI LODR Regulations”**) as amended from time to time, and in accordance with and subject to such other circulars rules, regulations and guidelines issued or that may be issued by SEBI and/or other appropriate authorities, from time to time, and subject to such other approvals,



permissions and sanctions as may be necessary, the approval of the members of the Company be and is hereby accorded to the **“Board”**, “which term shall be deemed to include the Nomination and Remuneration Committee of Directors which has been duly constituted by the Board and has been designated as the Compensation Committee under Regulation 5 of SEBI (SBEB) Regulations and to exercise its powers, including the powers conferred by this resolution (hereinafter referred as **“the NRC”**) to extend the benefits of the **“Zen Technologies Limited Employee Stock Option Plan-2021”** (hereinafter referred to as the **“ZEN ESOS 2021”/ “Scheme”**) and to issue create, offer, grant, allot and/or transfer of such number of Employee Stock Options (**“ESOPs”**) to the eligible employees of the Subsidiary Company(ies) of the Company (including the present and future employees), in India or abroad, as may be solely decided by the Board and to such other persons as may from time to time be eligible under applicable law(s) and as may be decided by the Board (hereinafter referred to as **“Subsidiary Employees”**) in one or more tranches within the overall ceiling of 40,00,000 (Forty Lakhs) Employee Stock Options (**“ESOPs”**), exercisable into 40,00,000 (Forty Lakhs) Equity Shares of face value Re.1/- (Rupee One) each prescribed under the scheme titled **“Zen Technologies Limited Employee Stock Option Plan-2021”** (hereinafter referred to as the **“ZEN ESOS 2021”/ “Scheme”**) through Zen Technologies Limited Employee Welfare Trust (herein after referred to as **“Trust”**) to be set-up by the Company, on such terms and in such manner including price of ESOP as the Board may decide in accordance with the provisions of the law as may be prevailing at the relevant time.”

**“RESOLVED FURTHER THAT** subject to the terms stated herein, the equity shares allotted to subsidiary employees pursuant to **ZEN ESOS 2021** shall rank pari-passu and with the then existing equity shares of the Company, in all respects.”

**“RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, changes in capital structure, merger and sale of division/undertaking or any other re-organisation, if any, additional equity shares are issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the employee stock options granted earlier, the ceiling of 40,00,000 ESOPs shall be deemed to be increased, to the extent of such additional equity shares issued and as may be determined by the Board without affecting any other rights or obligations of the said grantees.”

**“RESOLVED FURTHER THAT** in case the equity shares of the Company are either sub-divided or consolidated, the number of equity shares to be transferred on exercise of Options granted and/or the price of acquisition per equity share payable by the Subsidiary Employees under **ZEN ESOS 2021** shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of Re. 1/- (Rupee One) per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the Employees.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of equity shares issued and allotted under **ZEN ESOS 2021 to Subsidiary Employees** on BSE Limited and National Stock Exchange of India Limited or any other Stock Exchange where the securities of the Company may be listed, as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, SEBI (SBEB) Regulations and other applicable laws and regulations.”

**“RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed under Regulation 15 of the SEBI (SBEB) Regulations and any other applicable laws and regulations to the extent relevant and applicable in connection with extending the benefits of **ZEN ESOS 2021 to the Subsidiary Employees.”**

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to make, sign, execute, submit, acknowledge, endorse, applications to the appropriate authorities, deeds, documents, papers, grant letters, intimations and such other documents in its absolute discretion as it may deem necessary and required may be required and necessary to take such steps and do all such acts, deeds things and matters in this regard including but not limited appointment of Merchant Bankers, Solicitors, Registrars and other Advisors, Consultants or Representatives, filing of necessary forms and applications, intimations and disclosures with concerned authorities as may be required to extend the benefits to the employees of the Subsidiaries in compliance with applicable laws from time to time under applicable laws from time to time without being required to seek any further consent or approval of the members of the Company and shall also be entitled to delegate all or any of its powers to any Committee, Trust established for implementing any of the notified schemes covered by these regulations, or to one or more officers of the Company and/ or to one or more sub-committees.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised to execute all such deeds, documents, instruments and writings for giving effect to this resolution including filing of necessary documents, intimations including e-forms with regulatory authorities.”

**11. To approve implementation of “Zen Technologies Limited Employee Stock Option Plan-2021” (hereinafter referred to as the “ZEN ESOS 2021”/ “Scheme”) through trust route.**

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

**RESOLVED THAT** pursuant to the provisions of Sections 62(1)(b), 67(3)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), read with Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), relevant provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as **“SEBI (SBEB) Regulations”**), Securities Exchange Board of India (SEBI) Circular No. CIR/CFD/POLICY CELL/2/2015 dated 16 June 2015 (**“Circular”**), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI LODR Regulations”**) as amended from time to time, and in accordance with and subject to such other circulars rules, regulations and guidelines issued or that may be issued by SEBI and/or other appropriate authorities, from time to time, and subject to such other approvals, permissions and sanctions as may be necessary, the approval and consent of the members of the Company be and is hereby accorded to the **“Board”**, which term shall be deemed to include the Nomination and Remuneration Committee of Directors which has been duly constituted by the Board and has been designated as the Compensation Committee pursuant to Regulation 5 of SEBI (SBEB) Regulations and to exercise its powers, including the powers conferred under this resolution (hereinafter referred as **“the NRC”**) to implement the **“Zen Technologies Limited Employee Stock Option Plan-2021”** (hereinafter referred to as

the **“ZEN ESOS 2021”/ “Scheme”**) through Zen Technologies Limited Employees Welfare Trust (herein after referred to as **“Trust”**) to be set up as per the provisions of all applicable laws, including without limitation, Indian Trusts Act, 1882, as amended, the SEBI (SBEB) Regulations and the Companies Act, 2013 and the rules made thereunder and the Trust to acquire, purchase, hold and deal in fully paid-up equity shares of the Company for the purpose of implementation of the **ZEN ESOS 2021** or for any other purpose(s) as contemplated herein and in due compliance with the provisions of the applicable laws and regulations.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the above Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulty or doubts that may arise in this regard without being required to secure any further consent or approval of the Members of the Company.”

**12. To approve the acquisition of Equity Shares of the company through Secondary Acquisition for implementation of “Zen Technologies Limited Employee Stock Option Plan-2021” (“ZEN ESOS 2021”/ “Scheme”).**

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

**“RESOLVED THAT** pursuant to applicable provisions of Companies Act, 2013 (the Act) including any statutory modifications or re-enactment of the Act, for the time being in force and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**“SEBI (SBEB) Regulations”**) (including any statutory modifications or re-enactment(s) thereof for the time being in force) and the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI LODR Regulations”**) including any modifications or supplements thereto and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by such 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”**), consent of the members of the Company be and is hereby accorded for acquisition/purchase of Equity Shares of the Company through secondary acquisition by the **Zen Technologies Limited Employees Welfare Trust (“Trust”)** for the purpose of implementation of the **ZEN ESOS 2021/ the Scheme**, provided the secondary acquisition by the Trust shall not exceed the limits as defined under **SEBI (SBEB) Regulations.**”

**“RESOLVED FURTHER THAT** in case of any corporate action(s) such as bonus issue, rights issue, stock splits or consolidations or other re-organisation, if any, where additional Equity Shares are required to be issued by the Company to the members, then the maximum number of Equity Shares to be acquired by the Trust through secondary acquisition from the secondary market in any financial year as well as the maximum number of Equity Shares acquired from the secondary market and held by the Trust at any point of time, as aforesaid, shall be increased in the same proportion as the number of such additional Equity Shares issued bears to the number of Equity Shares outstanding immediately prior to such issue.”

**“RESOLVED FURTHER THAT** in case the equity shares of the Company are either sub-divided or consolidated, the ceiling limit of secondary acquisition as defined under **SEBI (SBEB) Regulations,**

shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of Re. 1/- per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to make applications to the appropriate Authorities, for their requisite approvals and to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulty or doubts that may arise in this regard without being required to secure any further consent or approval of the Members of the Company.”

**13. To approve provision of money to trust by the company for the Purchase of its own shares for implementation of Zen Technologies Limited Employee Stock Option Plan-2021.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 62(1)(b), 67 and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), read with rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as **“SEBI (SBEB) Regulations”**), Securities Exchange Board of India (**SEBI**) Circular No. CIR/CFD/POLICY CELL/2/2015 dated 16 June 2015 (**“Circular”**), Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI LODR Regulations”**) as amended from time to time, and in accordance with and subject to such other circulars rules, regulations and guidelines issued or that may be issued by SEBI and/or other appropriate authorities, from time to time, and subject to such other approvals, permissions and sanctions as may be necessary the approval of the members of the Company be and is hereby accorded to the **“Board”**, which term shall be deemed to include the Nomination and Remuneration Committee of Directors which has been duly constituted by the Board and has been designated as the Compensation Committee pursuant to Regulation 5 of SEBI (SBEB) Regulations and to exercise its powers, including the powers conferred by this resolution (hereinafter referred as **“the NRC”**) to grant loan, to provide guarantee or security in connection with a loan granted or to be granted to Zen Technologies Limited Employee Welfare Trust (hereinafter referred to as **“Trust”**) set-up or to be set-up by the Company, in one or more tranches, not exceeding 5% (Five per cent) of the aggregate of the Paid-up Share Capital and Free Reserves of the Company or such other limits as may be prescribed under Companies (Share Capital and Debentures) Rules, 2014, for the purpose of subscription and/or purchase of Equity Shares of the Company by the Trust/ Trustees, in one or more tranches, subject to the ceiling of Equity Shares (**“Shares”**) as may be prescribed under Zen Technologies Limited Employee Stock Option Plan-2021 (**“Scheme”**) or any other share based employee benefit plan which may be introduced by the Company from time to time (**“Employee Benefit Scheme(s)”**), with a view to deal in such Shares in line with contemplated objectives of the Scheme or for any other purpose(s) as permitted under and in due compliance with the provisions of the SEBI (SBEB) Regulations, Companies Act, 2013 and any other applicable laws and regulations.”

**“RESOLVED FURTHER THAT** any loan provided by the Company shall be repayable to and recoverable by the Company from time

to time during the term of the Scheme and/or Employee Benefit Schemes, as the case may be, to the extent of exercise price paid by the Employees upon exercise of the Options and the accruals of the Trust at the time of termination of the Scheme.”

**“RESOLVED FURTHER THAT** the Trust shall not deal in derivatives and shall undertake transactions as permitted by SEBI (SBEB) Regulations.”

**“RESOLVED FURTHER THAT** the Trustees of the Trust shall not vote in respect of the Shares held by such Trust.”

**“RESOLVED FURTHER THAT** for the purposes of disclosures to the stock exchange, the shareholding of the Trust shall be shown as non-promoter and non-public shareholding.”

**“RESOLVED FURTHER THAT** the Trustees of the Trust shall ensure compliance of the provisions of the SEBI (SBEB) Regulations, Companies Act, 2013 and all other applicable laws at all times in connection with dealing with the Shares of the Company including but not limited to maintenance of proper books of account, records and documents as prescribed.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to comply with the legal provisions and do all ancillary and consequential matters and to take such steps and to do such acts, deeds, matters and things as they may deem proper and give/send such notices, directions as may be necessary to give effect to the above resolution.”

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

**Hansraj Singh Rajput**  
Company Secretary  
M. No. A38213

**Dated:** 24<sup>th</sup> July 2021  
**Place:** Hyderabad

# Notes

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" and Circular no. 02/2021 dated January 13, 2021 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID -19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

2. The company has appointed KFin Technologies Private Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the e-AGM and the attendant enablers for conducting of the e-AGM.

3. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM is annexed hereto.

4. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.

5. Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.

6. Additional information, pursuant to Regulation 36 of SEBI Listing Regulations, in respect of the directors seeking appointment / re-appointment at the AGM is annexed as **Annexure-A** to this Notice. The Directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.

7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC

/ OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [rao\\_ds7@yahoo.co.in](mailto:rao_ds7@yahoo.co.in) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com).

8. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Monday, 23<sup>rd</sup> August 2021 through email on [investors@zentechnologies.com](mailto:investors@zentechnologies.com). The same will be replied by the Company suitably.

## DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:

9. In compliance with the MCA Circulars and SEBI Circular dated January 15, 2021 read with Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/Depository Participants. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [www.zentechnologies.com](http://www.zentechnologies.com), websites of the Stock Exchanges, that is, BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, and on the website of Company's Registrar and Transfer Agent, KFin Technologies Private Limited ("KFinTech") at <https://evoting.kfintech.com>

10. For receiving all communication (including Annual Report) from the Company electronically:

- Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [investors@zentechnologies.com](mailto:investors@zentechnologies.com) or to KFinTech at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
- Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.

## PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

11. The Company will provide VC / OAVM facility to its Members for participating at the AGM.

- Members will be able to attend the AGM through VC / OAVM or view the live webcast at <https://emeetings.kfintech.com> by using their e-voting login credentials.

Members are requested to follow the procedure given below:

- Launch internet browser (chrome/firefox/safari) by typing the URL: <https://emeetings.kfintech.com>
- Enter the login credentials (i.e., User ID and password for e-voting).
- After logging in, click on "Video Conference" option.
- Then click on camera icon appearing against AGM event of Zen Technologies Limited, to attend the Meeting.



- b) Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the E-voting instructions.
- c) Members who would like to express their views or ask questions during the AGM may register themselves by logging on to <https://emeetings.kfintech.com> and clicking on the 'Speaker Registration' option available on the screen after log in. The Speaker Registration will be open during Thursday, 19<sup>th</sup> August 2021 to Thursday, 26<sup>th</sup> August 2021. Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
- d) As per the MCA Circular up to 1000 members will be able to join the e-AGM on a first-come-first-served basis. However, this restriction shall not apply to large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
- e) Facility to join the meeting shall be opened thirty minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.
- f) Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.
- g) Further Members will be required to allow access to the Camera, if any, and are requested to use Internet with good speed to avoid any disturbance during the meeting.
- h) Please note that participants using Mobile Devices or Tablets or Laptops and are accessing the internet via "Mobile Hotspot" may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- i) Members, who need assistance before or during the AGM, can contact KFinTech on [emeetings@kfintech.com](mailto:emeetings@kfintech.com) or call on toll free number 1800-309-4001. Kindly quote your name, DP ID-Client ID / Folio no. and E-voting Event Number in all your communications.

12. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

13. Members attending the AGM through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.

14. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.

#### PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT THE AGM:

15. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as

amended, and Regulation 44 of SEBI Listing Regulations, the Company is providing to its members facility to exercise their right to vote on resolutions proposed to be passed at AGM by electronic means ("e-voting"). Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("remote e-voting").

The Company has engaged the services of KFinTech as the agency to provide e-voting facility.

The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions given below.

#### INFORMATION AND INSTRUCTIONS RELATING TO E-VOTING ARE AS UNDER:

##### a) In case of Physical Shareholders & Non- Individual Shareholders (Physical / Demat):

- i. Initial password is provided in the body of the e-mail.
- ii. Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
- iii. Enter the login credentials i.e. User ID and password which is sent separately.

The e-voting event number + Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with KFinTech for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.kfintech.com> or contact toll free number 1-800-3094-001 for your existing password.

- iv. After entering the details appropriately, click on LOGIN.
- v. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**

- vi. You need to login again with the new credentials.
- vii. On successful login, the system will prompt you to select the EVENT. Select Zen Technologies Limited.

- viii. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting / dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and / or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.

- ix. Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts. Voting has to be done for each resolution of the notice of 28<sup>th</sup> AGM separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- x. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can log in multiple times till you are confirmed that you have voted on the resolution.
- xi. In case of any queries / grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the 'download' section of <https://evoting.kfintech.com> or call KFinTech on 1800 309 4001 (toll free).
- xii. Corporate/Institutional members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (pdf format) of the Board Resolution/Power of Attorney/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: [rao\\_ds7@yahoo.co.in](mailto:rao_ds7@yahoo.co.in) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) and may also upload the same in the e-voting in their login. The scanned image of the above mentioned documents should be in the naming format "ZEN TECHNOLOGIES\_EVENT NO."
- xiii. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- xiv. To avoid fraudulent transaction(s), the identity / signature of the Members holding shares in electronic / demat form is verified with the specimen signatures furnished by NSDL/CDSL and members holding shares in physical form is verified as per the records of the R&T Agent of the Company. Members are requested to keep the same updated.
- xv. Any person who becomes a Member of the Company after sending the Notice of the meeting but on or before the cut-off date viz. Friday, 20<sup>th</sup> August 2021 may obtain the USER ID and Password in the manner as mentioned below or may write an email on [Einward.ris@kfintech.com](mailto:Einward.ris@kfintech.com) for obtaining support in this regard
- A. If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS: MYEPWD <space> E-Voting Event number+Folio No. (in case of physical shareholders) or DP ID Client ID (in case of Dematted shareholders) to 9212993399.
- B. If e-mail address or mobile number of the Member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- C. Member may call KFinTech toll free number 1-800-3094-001 for all e-voting related matters.
- D. Member may send an e-mail request to [Einward.ris@kfintech.com](mailto:Einward.ris@kfintech.com) for all e-voting related matters
- E. Members are requested to note the following contact details for addressing e-voting grievances:
- Mr V Raghunath, Deputy Manager at KFin Technologies Private Limited, Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, India, Toll-free No.: 1800-309-4001, email: [evoting@kfintech.com](mailto:evoting@kfintech.com)
- xvi. If the member is already registered with KfinTech e-voting platform, then he can use his existing User ID and password for casting the vote through remote e-voting.
- xvii. The remote e-voting facility will be available during the following voting period:
- Commencement of remote e-voting: 9:00 a.m. on Monday, 23<sup>rd</sup> August 2021
- End of remote e-voting: 5:00 p.m. on Friday, 27<sup>th</sup> August 2021
- xviii. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled/blocked by Kfin upon expiry of aforesaid period. Once the vote on a resolution is cast by the Member(s), they shall not be allowed to change it subsequently or cast the vote again.
- xix. Voting rights of a member / beneficial owner (in case of electronic shareholding) shall be in proportion to his share in the paid-up equity share capital of the Company as on the cut-off date, i.e., Friday, 20<sup>th</sup> August 2021.
- xx. The Board of Directors of the Company has appointed Mr. D S Rao, Practicing Company Secretary, (M. No. 12394), as Scrutiniser to scrutinise the remote e-voting and Insta Poll process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.
- b) In case of Individual Shareholders having shares in electronic /demat mode:**

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

Example for NSDL	MYEPWD <SPACE> IN12345612345678
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Example for CDSL	MYEPWD <SPACE> 1402345612345678
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Example for Physical	MYEPWD <SPACE> XXX1234567890
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NSDL	CDSL
<p>1. User already registered for IDeAS facility: **</p> <ol style="list-style-type: none"> <li>I. URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Click on the “Beneficial Owner” icon under ‘IDeAS’ section.</li> <li>III. On the new page, enter existing User ID and Password. Post successful authentication, click on “Access to e-Voting”</li> <li>IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</li> </ol> <p>2. User not registered for IDeAS e-Services</p> <ol style="list-style-type: none"> <li>I. To register click on link : <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> (Select “Register Online for IDeAS”) or <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>II. Proceed with completing the required fields.            **(Post registration is completed, follow the process as stated in point no.1 above)</li> </ol> <p>3. First time users can visit the e-Voting website directly and follow the process below:</p> <ol style="list-style-type: none"> <li>I. URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></li> <li>II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section.</li> <li>III. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</li> <li>V. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> </ol>	<p>1. Existing user who have opted for Easi / Easiest **</p> <ol style="list-style-type: none"> <li>I. URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Click on New System Myeasi</li> <li>III. Login with user id and password.</li> <li>IV. Option will be made available to reach e-Voting page without any further authentication.</li> <li>V. Click on e-Voting service provider name to cast your vote.</li> </ol> <p>2. User not registered for Easi/Easiest</p> <ol style="list-style-type: none"> <li>I. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>II. Proceed with completing the required fields.            **(Post registration is completed, follow the process as stated in point no.1 above)</li> </ol> <p>3. First time users can visit the e-Voting website directly and follow the process below:</p> <ol style="list-style-type: none"> <li>I. URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Provide demat Account Number and PAN No.</li> <li>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</li> <li>IV. After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress.</li> <li>V. Click on company name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> </ol>

**c) Individual Shareholders (holding securities in demat mode) login through their depository participants.**

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

**Important note:**

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

**Members facing any technical issue - NSDL**

Members facing any technical issue in login can contact NSDL helpdesk by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Members facing any technical issue - CDSL**

Members facing any technical issue in login can contact CDSL helpdesk by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 or 22-23058542-43.

**16. The members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.**

17. A member can opt for only single mode of voting per EVEN, i.e., through remote e-voting or voting at the Meeting (Insta Poll). If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".

**18. 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, i.e., Friday, 20<sup>th</sup> August 2021 only shall be entitled to avail the facility of remote e-voting or for participation at the AGM and voting through Insta Poll. A person, who is not a member as on the cut-off date, should treat the Notice for information purpose only.**

19. The Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the members holding shares as on the cut-off date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.

#### **20. Information and instructions for Insta Poll:**

Facility to cast vote through Insta Poll will be made available on the Video Conferencing screen and will be activated once the Insta Poll is announced at the Meeting.

- a) Only those members/shareholders who hold shares as on the cut-off date viz. Friday, 20<sup>th</sup> August 2021 and who have not casted their vote earlier through remote e-voting are eligible to vote through e-voting during the e-AGM.
- b) Members who have voted through remote e-voting will be eligible to attend the e-AGM.
- c) Upon declaration by the Chairperson about the commencement of e-voting at e-AGM, Members shall click on the "Vote" sign on the left-hand bottom corner of their video screen for voting at the e-AGM, which will take them to the 'Instapoll' page.
- d) Members to click on the "Instapoll" icon to reach the resolution page and follow the instructions to vote on the resolutions.
- e) The electronic voting system for e-voting at AGM, as provided by KFinTech, shall be available for 30 minutes from the time of commencement of voting declared by the Chairman at the AGM.
- f) The Scrutiniser will, after the conclusion of e-voting at the Meeting, scrutinise the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman. The result of e-voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutiniser's Report, will be placed on the website of the Company: [www.zentechologies.com](http://www.zentechologies.com) and on the website of KFinTech at: <https://evoting.kfintech.com>. The result will simultaneously be communicated to the stock exchanges. The results shall also be displayed on the Notice Board at the Registered Office of the company.

- g) Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting, i.e., Saturday, 28<sup>th</sup> August 2021.

#### **PROCEDURE FOR INSPECTION OF DOCUMENTS:**

21. Members who wish to inspect, the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013, can send an email to [investors@zentechologies.com](mailto:investors@zentechologies.com).

#### **IEPF RELATED INFORMATION:**

22. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2012-13, from time to time, to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Details of dividends so far transferred to the IEPF Authority are available on the website of IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in)

23. The unclaimed equity dividend for the year ended 31 March 2014 will be transferred on 02 November, 2021 to the 'Investor Education and Protection Fund (IEPF)' on expiry of 7 years from the date of transfer to the Unpaid Dividend Account, pursuant to Section 124 of the Companies Act, 2013. Members who have not cashed their Dividend Warrants for the said financial year or subsequent year(s) are requested to send the same to the Company or its Registrars and Share Transfer Agents for issue of fresh demand drafts.

24. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts (till date of last Annual General Meeting) on the website of the Company at <https://www.zentechologies.com/unpaid-unclaimed-dividend>.

25. As per the provisions of Section 124(6) of the Act read with Rule 6 of 'Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amended Rules, 2017' ('the Rules'), as amended, all shares, in respect of which dividend has not been paid or claimed for seven consecutive years or more (relevant shares), will be transferred by the Company to IEPF along with statement containing such details as directed by Ministry of Corporate Affairs from time to time.

Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2020-21, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e., November 03, 2020. Details of shares so far transferred to the IEPF Authority are available on the website of the IEPF Authority and can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).

Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from the IEPF Authority.

The concerned members/investors are advised to visit the weblink of the IEPF Authority <http://iepf.gov.in/IEPF/refund.html>, or contact KFinTech, for detailed procedure to lodge the claim with the IEPF Authority.



**DIVIDEND RELATED INFORMATION:**

26. The Company has fixed Friday, 20<sup>th</sup> August 2021 as the 'Record Date' for the purpose of AGM and for determining entitlement of Members to dividend for the financial year ended March 31, 2021.

27. The dividend for the year ended 31 March 2021 as recommended by the Board, i.e. 10% @ Re.0.10/- (Ten paise only) per equity share of Re. 1/- each, if declared at the meeting, will be paid to those members whose names appear in the Company's register of members as on the Record Date. In respect of the shares held in dematerialised mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date. The dividend on equity shares, if declared at the meeting, will be credited / dispatched within 30 days from the date of this meeting.

28. Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. Dividend warrants / demand drafts / cheque will be dispatched to the registered address of the shareholders who have not updated their bank account details, after normalisation of the postal service.

29. Members holding shares in physical form are requested to notify/send any change in their address and bank account details to Registrar and Share Transfer Agents, KFinTech or the Company. Members whose shareholding is in electronic mode are requested to direct change of address notifications and updates of bank account details / PAN to their respective depository participant(s). Members are encouraged to utilize Electronic Clearing System (ECS) for receiving dividends.

30. Members are requested to address all correspondence, including on dividends, to the Registrar and Share Transfer Agents, KFinTech, Unit : Zen Technologies Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032.

31. Pursuant to the amendments introduced by the Finance Act, 2020, dividends paid or distributed by a Company on or after April 1, 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders w.e.f. 1<sup>st</sup> April 2020. No tax will be deducted on payment of dividend to the resident individual shareholders if the total dividend paid does not exceed ₹ 5,000/-

The withholding tax rate would vary depending on the residential status of the shareholder and documents registered with the Company.

**A. RESIDENT SHAREHOLDERS:****A.1 Tax Deductible at Source for Resident Shareholders:**

S. No	Particulars	Withholding Tax Rate	Documents required (if any)
1.	Valid PAN updated in the Company's Register of Members	7.5%	No document required (if no exemption is sought)
2.	No PAN/Valid PAN not updated in the Company's Register of Members	20%	No document required (if no exemption is sought)
3.	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority

**A.2 No Tax Deductible at Source on dividend payment to resident shareholders if the Shareholders submit and register following documents as mentioned in column no.4 of the below table with the Company / KFinTech:**

S. No	Particulars	Withholding Tax Rate	Documents required (if any)
1.	Submission of form 15G/15H	NIL	Declaration in Form No. 15G (applicable to any person other than a company or a firm) / Form 15H (applicable to an Individual who is 60 years and above), fulfilling certain conditions.
2.	Shareholders to whom section 194 of the Income Tax, 1961 does not apply such as LIC, GIC, etc.	NIL	Documentary evidence that the said provisions are not applicable.
3.	Shareholder covered u/s 196 of Income Tax Act, 1961 such as Government, RBI, corporations established by Central Act & mutual funds.	NIL	Documentary evidence for coverage u/s 196 of Income Tax Act, 1961
4.	Category I and II Alternative Investment Fund	NIL	SEBI registration certificate to claim benefit under section 197A (1F) of Income Tax Act, 1961
5.	<ul style="list-style-type: none"> <li>• Recognised provident funds</li> <li>• Approved superannuation fund</li> <li>• Approved gratuity fund</li> </ul>	NIL	Necessary documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT)
6.	National Pension Scheme	NIL	No TDS as per section 197A (1E) of Income Tax Act, 1961

**B. NON-RESIDENT SHAREHOLDERS:**

Withholding tax on dividend payment to non-resident shareholders if the non-resident shareholders submit and register following document as mentioned in column no.4 of the below table with the Company / KFinTech:

S. No	Particulars	Withholding Tax Rate	Documents required (if any)
(1)	(2)	(3)	(4)
1.	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess)	FPI registration number / certificate.
2.	Other Non-resident shareholders	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	To avail beneficial rate of tax treaty following tax documents would be required: <ol style="list-style-type: none"> <li>1. Tax Residency certificate issued by revenue authority of country of residence of shareholder for the year in which dividend is received</li> <li>2. PAN</li> <li>3. Form 10F filled &amp; duly signed</li> <li>4. Self-declaration for non-existence of permanent establishment/ fixed base in India</li> </ol> (Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non-Resident shareholder and review to the satisfaction of the Company)
3.	Indian Branch of a Foreign Bank	NIL	Lower tax deduction certificate u/s 195(3) obtained from Income Tax Authority  Self-declaration confirming that the income is received on its own account and not on behalf of the Foreign Bank
4.	Availability of Lower/NIL tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in certificate	Lower tax deduction certificate obtained from Income Tax Authority

**Notes:**

- The Company will issue soft copy of the TDS certificate to its shareholders through email registered with the Company / KFinTech post payment of the dividend. Shareholders will also be able to download the TDS certificate from the Income Tax Department's website <https://incometaxindiaefiling.gov.in> (refer to Form 26AS).
- The aforesaid documents such as Form 15G/ 15H, documents under section 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate etc. can be sent to the email ID of the company at [investors@zentechnologies.com](mailto:investors@zentechnologies.com) or to the KFinTech at [einward.ris@kfinotech.com](mailto:einward.ris@kfinotech.com) on or before Friday, 13<sup>th</sup> August 2021 to enable the Company to determine the appropriate TDS / withholding tax rate applicable. Any communication on the tax determination/ deduction received post Friday, 13<sup>th</sup> August 2021 shall not be considered.
- Application of TDS rate is subject to necessary verification by the Company of the shareholder details as available in Register of Members as on the Record Date, and other documents available with the Company / KFinTech.
- In case TDS is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund.

- In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Member/s, such Member/s will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.
- This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.

**OTHER INFORMATION:**

32. Securities and Exchange Board of India ("SEBI") has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, the Company / KFinTech have stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.

33. Members holding shares in physical mode are:

- required to submit their Permanent Account Number (PAN) and bank account details to the Company / KFinTech, if not registered with the Company / KFinTech, as mandated by SEBI by writing to the Company at [investors@zentechnologies.com](mailto:investors@zentechnologies.com)

- or to KFinTech at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with the details of folio no., self-attested copy of PAN card, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details) and cancelled cheque.
- b. advised to register nomination in respect of their shareholding in the Company.
34. Members holding shares in electronic mode are:
- a. requested to submit their PAN and bank account details to their respective Depository Participants (“DPs”) with whom they are maintaining their demat accounts.
- b. advised to contact their respective DPs for registering nomination.
35. Non-Resident Indian members are requested to inform KFinTech / respective DPs, immediately of:
- a. Change in their residential status on return to India for permanent settlement.
- b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

# Annexure to Notice

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 read with the Rules made thereunder.

## ITEM NO. 5:

### Re-appointment of Mr Amreek Singh Sandhu as an Independent Director of the Company.

Mr Amreek Singh Sandhu was appointed as Independent Director of the Company for a period of 3 years i.e., from 03 February 2018 to 02 February 2021, by the members in the 25<sup>th</sup> Annual General Meeting of the Company held on 29 September 2018. After completion of the aforesaid period he was co-opted by the Board as Additional Director with effect from 03<sup>rd</sup> February, 2021 pursuant to Section 161 of the Companies Act, 2013 read with Articles of Association of the Company and holds office up to the date of ensuing Annual General Meeting.

The Nomination and Remuneration Committee (NRC) on the basis of the report of performance evaluation, has recommended reappointment of Mr Amreek Singh Sandhu as an Independent Director for a second term of 3 (three) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of NRC, proposed to re-appoint Mr Amreek Singh Sandhu as an independent Director of the Company, not liable to retire by rotation, for a second term of 3 (three) consecutive years on the Board of the Company, subject to approval of the members by way of a special resolution.

Mr Amreek Singh Sandhu has given his consent to act as director and declaration to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013. He further submitted a declaration that he meets the criteria of independence as prescribed under both Section 149(6) of the Companies Act, 2013 and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Board of Directors of the Company, after reviewing the documents submitted by Mr Amreek Singh Sandhu are of the opinion that he fulfills the conditions specified in the Companies Act, 2013 and Listing Regulations and he is independent of the Management.

Details of Mr Amreek Singh Sandhu are provided in the 'Annexure-A' to the Notice. The terms and conditions of appointment of Mr Amreek Singh Sandhu as the Independent Director of the Company is open for inspection by the Members in electronic form 21 days before the Annual General Meeting and can be viewed on the Company's website at <https://www.zentechnologies.com/investor-information>

The resolution seeks the approval of members for the appointment of Mr Amreek Singh Sandhu as an Independent Director of the Company as detailed in the resolution.

Mr Amreek Singh Sandhu is interested in the resolution set out at Item No. 5 of the Notice with regard to his re-appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is interested in or concerned, financially or otherwise, with the said Resolution.

The Board recommends the Special Resolution set out at Item No. 5 of the notice for approval by the members.

## ITEM NO. 6:

### Reappointment of Dr. Ravindra Kumar Tyagi as Independent Director of the Company.

As per the provisions of Sections 149, 152, 160 & Schedule IV of the Companies Act, 2013 read with the relevant Rules thereunder as amended, the Company had appointed Dr. Ravindra Kumar Tyagi as Independent Directors as per the requirements of the Companies Act, 2013 at the Annual General Meeting held on 21 September 2019 to hold office upto 31<sup>st</sup> March 2022 for a first term of 3 (three) consecutive years.

Dr. Ravindra Kumar Tyagi shall be completing his first term of appointment upon completion of 3 (three) years from the date his appointment during the current financial year, He is eligible for re-appointment for another term of 3 (three) consecutive years subject to approval of the Members by way of passing a Special Resolution.

Dr. Ravindra Kumar Tyagi have consented to his re-appointment and confirmed that he do not suffer from any disqualifications which stand in the way of his re-appointment as Independent Directors.

The performance evaluation of the Independent Directors was conducted by the entire Board of Directors (excluding the Director being evaluated) on the basis of a structured questionnaire which was prepared after taking into consideration inputs received from the Directors covering various aspects of the Board's functioning viz. adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

Accordingly, based on the performance evaluation of Dr. Ravindra Kumar Tyagi, the Nomination & Remuneration Committee and the Board of Directors of the Company at their Meetings held on 24<sup>th</sup> July 2021, respectively have recommended the re-appointment of Dr. Ravindra Kumar Tyagi as Independent Director for a second term of 3 (three) consecutive years immediately after expiry of his current term on 31<sup>st</sup> March 2022 i.e. from 01<sup>st</sup> April, 2022 till 31<sup>st</sup> March, 2025

During his tenure of appointment, he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The Company has received declaration from Dr. Ravindra Kumar Tyagi confirming that he meets the criteria of independence as prescribed under sub-section 6 of Section 149 of the Act and as per Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). In the opinion of the Board, he fulfills the conditions for re-appointment as Independent Director.

Details of Dr. Ravindra Kumar Tyagi are provided in the 'Annexure-A' to the Notice. The terms and conditions of appointment of Dr. Ravindra Kumar Tyagi as the Independent Director of the Company is open for inspection by the Members



in electronic form 21 days before the Annual General Meeting and can be viewed on the Company's website at <https://www.zentechnologies.com/investor-information>

The resolution seeks the approval of members for the appointment of Dr. Ravindra Kumar Tyagi as an Independent Director of the Company as detailed in the resolution.

Dr. Ravindra Kumar Tyagi is interested in the resolution set out at Item No. 6 of the Notice with regard to his re-appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is interested in or concerned, financially or otherwise, with the said Resolution.

The Board recommends the Special Resolution set out at Item No. 6 of the notice for approval by the members.

#### ITEM NO. 7:

##### Appointment of Ms. Shilpa Choudari as the Whole-Time Director and fixing remuneration.

Ms. Shilpa Choudari has Bachelors Degree of Technology from JNTU and a Master's degree from Badruka Institute of Foreign Trade with specialisation in Finance and Foreign Trade. She later joined HDFC Bank as a Personal Banker where she worked for a year.

Ms. Shilpa Choudari also worked as Research Associate and AGM Sales and Marketing for Zen Technologies Limited from 2009 to 2015 and hence has deep knowledge of Zen's products, processes and work culture. Before joining Zen Technologies Limited, Shilpa worked for ICFAI Research Centre from 2007 to 2009 wherein she published many articles in over 10 books on different subjects. She is also a director at Anvizen Consultants Private Limited which are into AI powered video surveillance solutions.

The Board of Directors at its meeting held on 31<sup>st</sup> October 2021, after considering the recommendation of Nomination and Remuneration Committee of its meeting held on 31<sup>st</sup> October 2021, and subject to the approval of shareholders has approved and appointed, Ms. Shilpa Choudari as an Additional Director [Category – Whole Time Director] of the Company, liable to retire by rotation, to hold the office till the conclusion of the 28<sup>th</sup> Annual General Meeting of the Company on the terms and conditions as set out in the resolution at Item No. 7.

Ms. Shilpa Choudari is the wife of Mr. Ashok Atluri, Chairman and Managing Director of the company. Other details of Ms. Shilpa Choudari are provided in the 'Annexure-A' to the Notice.

The said appointment and remuneration are within the stipulations of Section 196, 197, 198 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time. After taking into consideration the duties and responsibilities of the Whole-Time Director, the prevailing managerial remuneration in industry and on the recommendations of the Nomination and Remuneration Committee, the Board at their meeting held on 31<sup>st</sup> October 2021, approved the remuneration, terms and conditions of the appointment of Ms. Shilpa Choudari, subject to approval of the shareholders.

Notwithstanding anything contained contrary to herein, above in case, in any financial year during the tenure of Ms. Shilpa Choudari, the Company has either no profits or its profits are

inadequate, the remuneration as specified in the resolution will be paid as minimum remuneration to Ms. Shilpa Choudari.

As required by the Companies Act, 2013, approval of the members is being sought, for the appointment and remuneration of Ms. Shilpa Choudari as the Whole-Time Director.

Except Ms. Shilpa Choudari being the appointee and her relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution.

The Board recommends the Resolution set out at Item No. 7 of the notice for approval by the members.

#### Statement of Information Pursuant to Schedule V, Part- II of the Companies Act, 2013

##### I. GENERAL INFORMATION:

- (1) Nature of industry: Manufacturing of Training Simulators and allied products.
- (2) Date of commencement of commercial production: 9 July 1993
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
- (4) Financial performance based on given indicators:

Financial performance	2018-19	2019-20	2020-21
Turnover (₹ in lakhs)	9,222.00	14,698.00	4957.03
Net profit /(loss) as per profit and loss account (₹ in lakhs)	1,906.00	6052.60	419.20
Amount of dividend paid (excluding dividend tax) (₹ in lakhs)	77.16	231.48	318.04
Rate of dividend declared	10%	30%	40%

- (5) Foreign investments or collaborators, if any: NIL

##### II. INFORMATION ABOUT THE APPOINTEE:

- (1) Background details:

Ms. Shilpa Choudari has Bachelors Degree of Technology from JNTU and a Master's degree from Badruka Institute of Foreign Trade with specialisation in Finance and Foreign Trade. She later joined HDFC Bank as a Personal Banker where she worked for a year. Shilpa worked for ICFAI Research Centre from 2007 to 2009 wherein she published many articles in over 10 books on different subjects. She is also a director at Anvizen Consultants Private Limited which are into AI powered video surveillance solutions.

- (2) Past remuneration: Nil
- (3) Recognition or awards: Nil

## (4) Job profile and suitability:

Ms. Shilpa Choudari worked as Research Associate and AGM Sales and Marketing for Zen Technologies Limited from 2009 to 2015 and hence has deep knowledge of Zen's products, processes and work culture.

## (5) Remuneration proposed:

As set out in the resolution for the item No. 7 of the Notice, the remuneration was recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

## (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)

Taking into consideration of the size of the Company, the profile of Ms. Shilpa Choudari and the responsibilities shouldered on her, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other companies.

## (7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Ms. Shilpa Choudari is the wife of Mr. Ashok Atluri, Chairman and Managing Director of the company.

**III. OTHER INFORMATION:**

## (1) Reasons of loss or inadequate profits: Nil.

## (2) Steps taken or proposed to be taken for improvement:

Delay in orders from the Govt. is the main cause of the low performance. We expect that orders will materialize during the current year. Additionally, the company is focusing on developing the export market to ensure continuous flow of orders.

## (3) Expected increase in productivity and profits in measurable terms

It is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects that productivity and profitability may improve and would be comparable with the industry average.

**IV. DISCLOSURES:**

All elements of remuneration package of the Directors have been given in the Report on Corporate Governance under the head Remuneration paid to Directors for the Financial Year 2020-2021.

**ITEM NO. 8:****Revision in Remuneration of Mr. Kishore Dutt Atluri, to office as President of the Company.**

In accordance with the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder, as amended, the members of the company at its 27<sup>th</sup> Annual General Meeting held on 19<sup>th</sup> September 2020, had approved

the office or place of profit of Mr. Kishore Dutt Atluri, to hold and continue to hold office as the President of the company for a period of five (5) years with effect from 1 October 2020 at such remuneration and terms and conditions as contained therein.

Further, in accordance with the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder, the Board in its meeting held on 24<sup>th</sup> July 2021, the board recommended the remuneration payable to Mr Kishore Dutt Atluri as mentioned in the above resolution, as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee.

Mr. Kishore Dutt Atluri has deep insight into the science of simulation industry. Under his guidance, the Company has grown manifold to become one of the prime equipment suppliers of Army. Considering the growth oriented performance of Mr. Kishore Dutt Atluri, the Nomination and Remuneration Committee, the Audit Committee and the Board of Directors of the Company at respective meetings held on 24<sup>th</sup> July 2021 has approved the revision in remuneration payable to Mr. Kishore Dutt Atluri, subject to approval of the members pursuant to Section 188 of the Companies Act, 2013, and rules made thereunder and pursuant to such other law for the time being in force.

The particulars of the transaction pursuant to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 and amendments thereto, are as under:

Name of the related party	Mr. Kishore Dutt Atluri
Name of the director or key managerial personnel who is related, if any.	Mr. Ashok Atluri, Chairman and Managing Director of the Company
Nature of relationship	Mr. Kishore Dutt Atluri is the brother of Mr. Ashok Atluri
Nature, material terms, monetary value and particulars of the contract or arrangements	Mr. Kishore Dutt Atluri had been holding the office or place of profit as President of the Company. His remuneration is proposed as per the terms set out in the resolution given at item no. 8
Any other information relevant or important for the members to take a decision on the proposed resolution	Nil

In terms of the provisions of Section 188 of the Companies Act, 2013 and amendments thereto and pursuant to such other law for the time being in force, approval of the members is being sought by way of an Ordinary Resolution for revision in remuneration payable to Mr. Kishore Dutt Atluri w.e.f. 01<sup>st</sup> August 2021, as he is a related party being brother of Mr. Ashok Atluri, Chairman and Managing Director of the Company.

Except Mr. Kishore Dutt Atluri being the appointee and his relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution.

No member of the Company who is related party shall vote to approve the ordinary resolution.

The Board recommends the Resolution set out at Item No. 8 of the notice for approval by the members.

#### ITEM NOS. 9 TO 12:

Employee Stock Option Scheme is an effective instrument in promoting the culture of employee ownership, creating long term wealth in their hands which also helps the Company to attract and motivate the best available talent in the competitive environment.

The Company is proposing to issue employee stock option under the Zen Technologies Limited Employee Stock Option Plan-2021 to motivate employees, who are consistently performing well, associated with the Company for a longer period, to provide ownership in the Company and to give them opportunity to participate and gain from the Company's performance, thereby, acting as a retention tool as well as to align the efforts of such talent towards long term value creation in the organization and to attract new talent.

With the above objective, the Board of Directors of the Company proposed "Zen Technologies Limited Employee Stock Option Plan-2021" ("**ZEN ESOS 2021**" / "**Scheme**") to be implemented for the benefit of the Employees. The Scheme has been formulated in accordance with the SEBI (SBEB) Regulations. The terms and broad framework of the Scheme has been approved by the Board of Directors of the Company at their meeting held on July 24<sup>th</sup>, 2021.

The Board seeks approval of the shareholders in respect of the **ZEN ESOS 2021** and for grant of Stock Options to the eligible employees/ Directors of the Company and that of its subsidiaries, as may be decided by Board/NRC from time to time in due compliance with Companies, Act, 2013 (including rules framed thereunder), the SEBI (SBEB) Regulations and other applicable laws and regulations.

The salient features, relevant disclosures and details of the Scheme are as follows:

#### a. Brief Description of the Scheme:

The Zen Technologies Limited Employee Stock Option Plan-2021 provides for grant of Employee Stock Options (ESOPs) to the eligible persons of the Company (including the present and future employees) a whether whole-time director or not, whether in India or abroad, (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company) and to the Employee(s) of any existing and future subsidiary company(ies) of the Company and such other persons as may from time to time be eligible under applicable law(s) and as may be decided solely by the Board ("the Board" which term shall be deemed to include the Nomination and Remuneration Committee of Directors which has been duly constituted by the Board and has been designated as the Compensation Committee pursuant to Regulation 5 of SEBI (SBEB) Regulations.

- To motivate the Employees to contribute to the growth and profitability of the Company.
- To retain the Employees and reduce the attrition rate of the Company.
- To achieve sustained growth and the creation of Shareholder value by aligning the interests of the Employees with the long term interests of the Company.

- To create a sense of ownership and participation amongst the Employees to share the value they create for the Company in the years to come, and
- To provide additional deferred rewards to Employees.

The maximum number of Equity Shares to be issued and allotted under the **ZEN ESOS 2021** shall be limited to 40,00,000 (Forty Lakhs).

The Nomination and Remuneration Committee of the Board of Directors ("Committee") shall act as Compensation Committee for the administration and superintendence of **ZEN ESOS 2021**. All questions on the interpretation of the **ZEN ESOS 2021** shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in **ZEN ESOS 2021**. **ZEN ESOS 2021** shall be implemented through Trust Route.

#### b. Total number of options to be granted

The total number of employee stock options to be granted under **ZEN ESOS 2021** shall not exceed) 40,00,000 (Forty Lakhs) options in one or more tranches, from time to time, exercisable into the equal number of Equity Shares of the Company.

Pursuant to SEBI (SBEB) Regulations, in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, and others, a fair and reasonable adjustment needs to be made to the Options granted. Accordingly, subject to applicable law, in case of any corporate action(s) such as rights issues, bonus issues, merger, sale of division or other reorganisation of capital structure of the Company, as the case may be, the number of Stock Options and / or the Equity Shares to be allotted upon exercise of Options shall be reasonably adjusted as per the provisions of the Scheme and in case of subdivision or consolidation of shares then the number of shares and the exercise price shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Re.1/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the eligible employees who have been granted Stock Options under the Scheme.

Vested Options lapsed due to non-exercise and/or unvested Options that get cancelled due to resignation/termination of the employees or otherwise, Stock Options not vested due to non-fulfilment of the vesting conditions, Stock Options which the grantees expressly refuse to exercise, would be available for being re-granted at a future date. The Board/Committee is authorised to re-grant such lapsed/cancelled options as per the provisions of **ZEN ESOS 2021**.

#### c. Identification of classes of employees entitled to participate in ESOS

Following classes of employees shall be eligible to participate in the Scheme:

- i. Permanent employees of the Company working with the Company or on deputation with any other company in India or out of India;
- ii. Director of the Company, whether a Whole Time Director or not; and
- iii. Permanent employees and Directors of the Subsidiaries of the Company, working with the respective subsidiary or on deputation with any other company.

Following persons are not entitled to participate in the Scheme:

- i. an employee who is a promoter or a person belonging to the promoter group; or
- ii. a Director who either himself/herself or through his relative or through anybody corporate, directly or indirectly, holds more than 10% (ten percent) of the outstanding Equity Shares of the Company; and
- iii. An Independent Director within the meaning of the Companies Act, 2013.

The identification and eligibility of the employees for the scheme shall be determined by the Nomination & Remuneration Committee based on the eligibility criteria as may be determined by the Board in compliance with the applicable laws.

**d. Requirements of vesting, period of vesting and maximum period within which the Options shall be vested**

The Options granted shall vest in accordance with the terms of each grant under the ZEN ESOS 2021, so long as an employee continues to be in the employment of the Company or the subsidiary company, if any, as the case may be. The Committee may, at its discretion, lay down certain performance metrics on the achievement of which such Options would vest, the detailed terms and conditions relating to such performance-based vesting.

As per requirements of the SEBI (SBEB) Regulations, the gap between the date of grant and first date of vesting of options shall be minimum of 1 (One) year and it may extend upto maximum of 5 (five) years from the grant date, at the discretion of and in the manner prescribed by the Committee.

Subject to minimum vesting period, the vesting dates/vesting schedule in respect of the options granted under the ZEN ESOS 2021 shall be determined by the Committee and may vary from employee to employee or any class thereof and/or in respect of the number or percentage of options to be vested.

**e. Maximum period within which the Options shall be vested**

Options granted under ZEN ESOS 2021 would vest in accordance with the terms of each grant, subject to maximum period of 5 (Five) years from the date of grant of such Options.

**f. Exercise price or pricing formula**

Subject to SEBI (SBEB) Regulations and other provisions of applicable law if any, the Nomination & Remuneration Committee shall determine the Exercise Price of the Options Granted under the Scheme, as it may deem appropriate in conformity with the applicable accounting policies, if any,

Provided that the exercise price per Option shall not be less than face value of equity shares and shall not exceed market price of the equity share of the Company as on date of grant of Option which may be decided by the Committee.

The Committee can vary the discount rates from Grantee to Grantee as per its discretion.

Market price in this context refers to the meaning assigned to it under the SEBI (SBEB) Regulations.

Exercise Price will be intimated to the Option Holder through the Grant Letter/Award Agreement. No amount shall be payable at

the time of Grant of Options. The Exercise Price shall be subject to any fair and reasonable adjustments that may be made on account of Corporate Actions of the Company in order to comply with the SEBI Regulations.

**g. Exercise period and the process of exercise**

The exercise period may commence from the date of vesting and will expire on completion of 2 years from the date of vesting of options, or such other period as may be decided by the NRC at its sole discretion from time to time. If the Options are not exercised within the exercise period they shall lapse and be cancelled forthwith. The Company shall not have any obligations to the Option holder towards such lapsed Options.

The vested option shall be exercised when the Company receives the written notice of exercise of options in the manner and as per the prescribed format which is complete in all respects from the concerned option grantee (or his/her legal heir/ nominee in case of death of option grantee) entitled to exercise the options along with full payment of the exercise price for the equity shares underlying such vested options subject to payment/ recovery of applicable tax, if any. The vested options shall lapse if not exercised within the specified exercise period.

An employee may also opt for Cashless Exercise by making an application in such manner and on such format as may be prescribed by the Committee, from time to time, directing the Trust to sell the requisite number of Shares in lieu of Options exercised and crediting the sale proceeds after adjustment of Exercise Price, applicable income tax amounts and other amounts, if any, in accordance with the terms and conditions of the Scheme.

The option will lapse if not exercised within the exercise period, as specified. The option may also lapse under certain circumstances as determined by the NRC even before expiry of the specified exercise period.

**h. Appraisal process for determining eligibility of the employees**

The appraisal process for determining the eligibility of the employees will be decided by the Committee from time to time. The employees would be granted Options under the ZEN ESOS 2021 based on various parameters such as performance rating, period of service, rank or designation, loyalty, present and potential contributions of the employee to the success of the company, and such other parameters as may be decided by the Committee in consultation with Board of Directors from time to time.

The Board or the nomination & Remuneration Committee may decide to extend the benefits of the ESOP Scheme to new entrants or to existing eligible employees on such basis as it may deem fit, in accordance with applicable law.

**i. Maximum number of Stock Options to be issued per employee and in aggregate**

The maximum number of Stock Options to be granted to any eligible employee shall be decided by the Board or Nomination & Remuneration Committee.

The maximum number of options that may be granted per employee and in aggregate shall vary depending upon the designation and the appraisal/ assessment process,

However, the number of Stock Options that may be granted to a single eligible employee, under the Scheme during any



particular financial year shall be less than 1% of the paid-up equity share capital at the time of grant of Stock Options (which shall be adjusted in lieu of adjustments/ re-organisation of capital structure or corporate actions of the Company from time to time).

The Board/Committee reserves the right to decide the number of options to be granted and the maximum number of options that can be granted to each employee within this ceiling.

**j. Maximum quantum of benefits to be provided per employee under the Scheme**

The maximum quantum of benefits that will be provided to every eligible Employee under the Scheme will be the difference between the market value of Company's Share on the Stock Exchanges as on the date of exercise of Options and the Exercise Price paid by the Employee.

**k. Lock-in period, if any**

The Shares transferred to the Grantees pursuant to exercise of Options will be subject to lock-in period from the date of exercise of options by the Grantee as the Committee may in its absolute discretion decide. The Committee may prescribe different lock in period for Grantee to Grantee as per its discretion

**l. Whether the ESOP Scheme is to be implemented and administered directly by the Company or through a trust**

The Company proposes to implement and administer the Scheme through Trust Route wherein the Trust shall acquire the Shares by:

- i. Direct allotment from the Company and/or
- ii. From secondary acquisition from the market

The Shares so acquired by the Trust will either be:

- i. transferred to the Grantees as and when the Options are exercised and/or
- ii. Will be sold by the Trust and the sale proceeds after adjustment of Exercise Price, applicable income tax amounts and other amounts, if any will be transferred to the Grantees in accordance with the terms and conditions of the Scheme.

The Scheme shall be administered by the Nomination and Remuneration Committee which shall delegate some or all of its power to the Trust or any other Committee or Persons for proper administration of the Scheme.

**m. Whether the ESOP Scheme involves issue of new Equity Shares by the Company or secondary acquisition or both**

The Scheme involves both i.e. new issue of Equity Shares by the Company and/or Secondary Acquisition of Equity Shares by the Trust.

**n. The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.**

Amount of loan: Shall not exceed 5% of the aggregate paid up Equity Capital and Free Reserves of the Company or such other limits as may be prescribed under Companies (Share Capital and Debentures) Rules, 2014.

Tenure: Till the objects of the Trust are accomplished or the repayment of loan is made, whichever is earlier.

Utilization: For the objects of the Trust as mentioned in the Trust Deed including the implementation of the ZEN ESOS 2021 wherein it will acquire Equity Shares of the Company from the market.

Repayment Terms: The Trust shall repay the loan to the company by utilising the proceeds realised from Exercise of Options by the Employees and the accruals of the Trust at the time of termination of the Scheme or in such other permissible manner.

**o. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s)**

The total number of Shares under secondary acquisition held by the Trust shall at no time exceed 5 (Five) percent of paid up equity capital as at the end of the financial year immediately prior to the year in which the Shareholder approval is obtained for such secondary acquisition.

Further, the secondary acquisition in a financial year by the Trust shall not exceed 2 (Two) percent of the Paid up Equity Capital as at the end of the previous financial year.

**p. Method of Stock Options' valuation**

The Company shall use the fair value method or such valuation method as may be prescribed from time to time in accordance with applicable laws for valuation of the Stock Options granted, to calculate the employee compensation cost (or)

As the company is adopting fair value method, presently there is no requirement for disclosure in director's report. However, if in future, the Company opts for expensing of share based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.

**q. Accounting policies**

The Company shall follow the Guidance Note on accounting for employee share based payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein. In case, the existing Guidance Note or Accounting Standards do not prescribe accounting treatment or disclosure requirements, any other Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in due compliance with the requirements of Regulation 15 of SEBI (SBEB) Regulations.

**r. The conditions under which option vested in employees may lapse e.g., in case of termination of employment for misconduct and the specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee.**

- i. The Options which get lapsed due to eligibility Criteria in any of the vesting, if any, will get lapsed from the hands of the Grantee.

- ii. In the event of the Option holder being found to be involved in fraud, misfeasance, gross negligence, breach of trust or like event(s) and in such an event(s) the rights under the Options (whether vested or not) shall lapse, forthwith, without any claim on, or recourse to the Company.
- iii. Further, in the event of cessation of employment due to resignation or termination (not due to misconduct or ethical/compliance violations)
- a) All unvested Options, on the date of cessation, shall expire and stand terminated with effect from that date unless otherwise determined by the Committee whose decision will be final and binding.
- b) The Options which get lapsed due to eligibility Criteria in any of the vesting, if any, will get lapsed from the hands of the Grantee.

It is proposed to extend the benefits of the “ZEN ESOS 2021”/ “Scheme” to the eligible employees of any existing and future subsidiary company(ies) of the Company.

“ZEN ESOS 2021”/ “Scheme”, involves both i.e. new issue of Equity Shares by the Company and/or Secondary Acquisition of Equity Shares. Hence your Board contemplates to implement the “ZEN ESOS 2021”/ “Scheme”, through an Employee Welfare Trust (“Trust”) with a view to efficiently manage the scheme.

In light of above, your board recommends resolutions as set out in **Item No’s 9 to 12** for approval of the members being sought for these resolutions by way of **Special Resolutions**.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolutions, except to the extent of their entitlements, if any, under the **ZEN ESOS 2021**.

#### s. Transferability of Stock Options

The Stock Options granted to an eligible employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of a Stock Option holder while in employment, the right to exercise all the Stock Options granted to him till such date shall vest in the legal heir(s) or nominee(s) of such Stock Option holder, in accordance with the provisions of the ESOP Scheme.

#### ITEM NO. 13:

In order to execute Zen Technologies Limited Employee Stock Option Plan-2021 through Trust Route, the company need to make provisioning of funds to the Trust so as to enable it to subscribe/acquire Shares of the Company. Accordingly, Item No. 13 which is proposed for approval of the Shareholders is set out in this Notice.

The disclosures as per Rule 16 of the Chapter IV of the Companies Act, 2013, are as under:

1.	The class of Employees for whose benefit the Scheme is being implemented and money is being provided for purchase of or subscription to Shares	The class of Employees for whose benefit the Scheme is being implemented and money is being provided for purchase of or subscription to Shares is as follow: <ul style="list-style-type: none"> <li>a. A permanent Employee of the Company who has been working in India or outside India; or</li> <li>b. a Director of the Company, whether a Whole Time Director or not but excluding an Independent Director and Non-Executive Director; or</li> <li>c. an Employee as defined in clause (a) or (b) of a Subsidiary, in India or outside India, or of a Holding Company of the Company</li> </ul> But does not include: <ul style="list-style-type: none"> <li>a. an Employee who is a Promoter or a person belonging to the Promoter Group; or</li> <li>b. A Director who either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding Shares of the Company.</li> </ul>
2.	The particulars of the Trustee or Employees in whose favor such Shares are to be registered	Name of the Trustees: <ul style="list-style-type: none"> <li>1. Ms. Sujana Baru</li> <li>2. Mr. Maddipatla Vijaya Rama Rao</li> <li>3. Mr. Gadde Vamsi Kumar</li> </ul>
3.	Particulars of Trust	Name of the Trust: Zen Technologies Limited Employees Welfare Trust Address of the Trust: The Principal/Registered Office of the Trust will be located at B-42, Industrial Estate, Sanath Nagar, Hyderabad-500018, Telangana, India
4.	Name, Address, Occupation and Nationality of Trustees.	1. Name: Ms. Sujana Baru Address: 221/b, SR Nagar, Ameerpet, Hyderabad - 500038, Telangana Occupation: Service Nationality: Indian  2. Name: Mr. Maddipatla Vijaya Rama Rao Address: Flat No. 301, Plot No. 450, Treasure Hill Apt, Road No. 2/3, Matrusri Nagar, Miyapur, Hyderabad - 500049, Telangana Occupation: Service Nationality: Indian

		3. Name: Mr. Gadde Vamsi Kumar Address: 2-3-364/1, Sainagar Colony Road No. 7, Reliance Tower, Nagole, LB Nagar, Rangareddi-500068, Telangana Occupation: Service Nationality: Indian
5.	Relationship of Trustees with Promoters, Directors or Key Managerial Personnel, if any.	None
6.	Any interest of Key Managerial Personnel, Directors or Promoters in such Scheme or Trust and effect thereof.	The Key Managerial personnel and Directors are interested in the Zen Technologies Limited Employee Stock Option Plan-2021 only to the extent, to the Options that may be granted to them, if any, under the Scheme.
7.	The detailed particulars of benefits which will accrue to the Employees from the implementation of the Scheme	a) To motivate the Employees to contribute to the growth and profitability of the Company. b) To retain the Employees and reduce the attrition rate of the Company. c) To achieve sustained growth and the creation of Shareholder value by aligning the interests of the Employees with the long term interests of the Company. d) To create a sense of ownership and participation amongst the Employees to share the value they create for the Company in the years to come, and e) To provide additional deferred rewards to Employees.
8.	The details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the scheme would be exercised	The Trust would be considered as the registered Shareholder of the Company till the date of tranr of Shares to the Employees.  However, the Trustees will not have any right to vote on the Equity Shares held by the Trust.  Once the shares are transferred to the Employees upon their Exercise, then the Employees will be treated as the Shareholder of the Company and shall exercise the right to vote in respect of such shares.

In terms of the Companies Act, 2013, read with Rule 16 of Chapter IV of the Companies Act, 2013, the approval of the Shareholders is sought by way of Special Resolution for the approval for the provisioning of money to the Trust to fulfil the requirements of Zen Technologies Limited Employee Stock Option Plan-2021. Therefore, your Directors recommend the Resolutions as set out at **Item No. 13** for your approval by way of Special Resolution.

None of the Directors and any Relatives of such Director, Key Managerial Personnel is in anyway concerned or interested in the resolution except to the extent of Equity Shares held by them in the Company. However, Directors / Key Managerial Personnel may be deemed as interested upto the amount of Options/ Shares that may be granted to them under the Zen Technologies Limited Employee Stock Option Plan-2021.

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

**Registered Office:**

B-42, Industrial Estate  
Sanathnagar, Hyderabad-500018, Telangana, INDIA  
CIN: L72200TG1993PLC015939  
Phone: +91- 40 - 23813281, 23812894  
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Email id: [info@zentechnologies.com](mailto:info@zentechnologies.com)  
Website: [www.zentechnologies.com](http://www.zentechnologies.com)

**Hansraj Singh Rajput**  
Company Secretary  
M. No. A38213

**Dated:** 24<sup>th</sup> July 2021

**Place:** Hyderabad

# Annexure A

## Details of Directors seeking appointment /re-appointment at the Annual General Meeting

(Pursuant to Regulation 36 of SEBI (Listing obligations and disclosure Requirements) Regulations, 2015)

Name of the Director	Mr. Ashok Atluri	Mr Amreek Singh Sandhu	Dr Ravindra Kumar Tyagi	Ms. Shilpa Choudari
Date of Birth	31 <sup>st</sup> December 1965	24 <sup>th</sup> March 1960	06 <sup>th</sup> January 1955	16 <sup>th</sup> April 1981
Date of Appointment	01 <sup>st</sup> October 2007	03 <sup>rd</sup> February 2018	01 <sup>st</sup> April 2019	01 <sup>st</sup> November 2020
Relationship with Directors	Mr. Ashok Atluri, (Chairman and Managing Director) is the Spouse of Ms. Shilpa Choudari	Not related to any Director	Not related to any Director	Ms. Shilpa Choudari is the Spouse of Mr. Ashok Atluri, (Chairman and Managing Director of the company)
Expertise in specific functional Area	He served the Company for more than two decades as CMD and he has exceptional knowledge of all functional and marketing areas. He has been instrumental in the growth of the Company over the years and key management decisions, including helping in designing the simulators from the users prospective.	He has over 30 years of experience in various facets of Finance & Accounts – Corporate Finance, Treasury, Audit, M & A, Public Issues, Secretarial matters, HR, Administration & Legal function	He has 44 years of experience including 8 years of leading the boards/ organisations including as 1) Chairman, Hindustan Aeronautics Ltd. (a Navratna company) from March 2012 to Jan 2015; 2) CMD, Pawan Hans Helicopters Ltd. (a Mini Navratna company) from May 2007 to Mar 2012; 3) Served ONGC in various fields like IT Networks, Setcom, Infocom, Marketing and rose to the position of Head Marketing and Head Air Logistics (from April, 1976 to May 2007).	Ms. Shilpa Choudari has Bachelors Degree of Technology from JNTU and a Master's degree from Badruka Institute of Foreign Trade with specialisation in Finance and Foreign Trade. She later joined HDFC Bank as a Personal Banker where she worked for a year.  Ms. Shilpa Choudari also worked as Research Associate and AGM Sales and Marketing for Zen Technologies Limited from 2009 to 2015 and hence has deep knowledge of Zen's products, processes and work culture. Before joining Zen Technologies Limited, Shilpa worked for ICFAI Research Centre from 2007 to 2009 wherein she published many articles in over 10 books on different subjects. She is also a director at Anvizen Consultants Private Limited which are into AI powered video surveillance solutions.
Qualification	PG Diploma holder in Applied Computer Science, Bachelor's degree in Commerce	Qualified Cost & Management Accountant. Qualified Company Secretary Executive Program in Applied Finance, IIM Calcutta Master degree in Commerce Law graduate MBA from IGNOU	Ph.D (Doctorate in Management Studies), Advanced Leadership Course, (I.S.B.), Hyderabad, MBA (Marketing), B.Engg. (Electronics & Communication) – I.I.T., Roorkee.	Ms. Shilpa Choudari has Bachelors Degree of Technology from JNTU and a Master's degree from Badruka Institute of Foreign Trade with specialisation in Finance and Foreign Trade

@Board Membership of other companies	1. Zen SkillProc Private Limited 2. Zen Medical Technologies Private Limited	Nil	Indamer Mjets Airport Services Private Limited	1. Anvizen Consultants Private Limited 2. Vensam Infrastructure (India) Pvt Ltd 3. Unistring Tech Solutions Private Limited
Chairman/ Member of the Committee of the Board of Directors	Member of Audit, Stakeholders Relationship, Risk Management and CSR Committees	Chairman of Audit and Risk Management, Member of Stakeholders Relationship and Nomination & Remuneration Committees	Chairman of Corporate Social Responsibility and Member of Audit Committee	Nil
Chairman/ Member of the committee of Directors of other companies in which he/she is a director.				
a) Audit Committee	Nil	Nil	Nil	Nil
b) Stakeholders' Relationship Committee	Nil	Nil	Nil	Nil
c) Nomination and Remuneration Committee	Nil	Nil	Nil	Nil
Number of shares held in the Company as on 31 March 2021	2,13,11,220 equity shares	Nil	250 Shares	Nil

Note: @ - This does not include position in foreign companies, position as an advisory board member and position in companies under section 8 of Companies Act, 2013.