



ZEN TECHNOLOGIES LIMITED

Certified ISO 9001:2015, ISO 27001:2013, ISO 14001:2015

Regd. Office : B-42, Industrial Estate, Sanathnagar

Hyderabad – 500 018, Telangana, India

Phone: +91 40 23813281, 23811205, 23811206

Fax No: +91 40 23813694, 23814894

Email: info@zentechnologies.com Website: www.zen.in

Corporate Identity Number : L72200TG1993PLC015939

Date: 27 August 2019

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

To
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

Dear Sir/Madam,

Sub: Intimation of date of 26th Annual General Meeting, e-Voting and Record Date
Ref: Symbol: ZENTEC; Security Code: 533339; Series: EQ

This is to inform you that, pursuant to Section 96 of the Companies Act, 2013, the 26th Annual General Meeting (AGM) of the Company will be held on Saturday, 21 September 2019 at 10.00 a.m. at 11th Floor, Signature Towers, Opp. Botanical Garden, Kondapur, Hyderabad - 500 084, Telangana, India.

We also hereby inform you that pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the company has fixed Friday, 13th September, 2019, as the record date for the purpose of determining entitlement of members to dividend for the financial year ended March 31, 2019 and also for the purposes of the AGM. If the dividend as recommended by the Board of Directors is approved at the AGM, payment of such dividend will be made within a period of 30 days as under: -

- to all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited and the Central Depository Services (India) Limited as of the close of business hours on Friday, September 13, 2019;
- to all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Friday, September 13, 2019.

Further, e-Voting facility has been made available to all the members of the Company as per the details given below: -

| S. No. | Particulars | Event Date |
|--------|--|---|
| 1. | Cut-off date for determining the eligibility for remote e-Voting, voting at the AGM and the payment of dividend, if approved at the ensuing AGM. | Friday, 13 th September, 2019 |
| 2. | Remote e-voting period will commence on | Monday, September 16, 2019 from 09.00 A.M. (IST) |
| 3. | Remote e-Voting period will end on | Friday, September 20, 2019 up to 05.00 P.M. (IST) |
| 4. | Date of the Annual General Meeting | Saturday, 21 st September, 2019 |

Works : Plot 36, Hardware Park, Near Shamshabad International Airport, Hyderabad - 501 510, Telangana, India



The Annual Report containing the Notice is also uploaded on the Company's website <https://www.zentechnologies.com/annual-reports>.

Kindly take the same on record and acknowledge the receipt.

Thanking you.

Yours sincerely

For Zen Technologies Limited


Hansraj Singh Rajput
Company Secretary & Compliance Officer



CC to:

1. National Securities Depository Limited - Mumbai
2. Central Depository Services (India) Limited - Mumbai
3. Karvy Fintech Private Limited - Hyderabad



ZEN TECHNOLOGIES LIMITED

CIN: L72200TG1993PLC015939

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

NOTICE TO SHAREHOLDERS

Notice is hereby given that the **26th Annual General Meeting** (AGM) of the members of **Zen Technologies Limited** (CIN: L72200TG1993PLC015939) (the Company) will be held on **Saturday the 21 September 2019 at 10.00 a.m.** at 11th Floor, Signature Towers, Opp. Botanical Garden, Kondapur, Hyderabad - 500 084, Telangana, India, to transact the following businesses:

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 March 2019 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 March 2019 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 March 2019 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 March 2019 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 2019 and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT a dividend at the rate of ₹ 0.30/- (Thirty Paise Only) per equity share of ₹ 1/- (one rupee) each fully paid-up equity share be and is hereby declared for the financial year ended 31 March 2019 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 March 2019.”

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.”

5. Appointment of Statutory Auditors.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution by (a) approving the appointment of M/s. Ramasamy Koteswara Rao and Co LLP, Chartered Accountants, as Statutory Auditors of the Company from 28 June 2019 till the conclusion of this Annual General Meeting arising out of

the casual vacancy caused by the resignation of M/s. Sekhar & Co., Chartered Accountants; and (b) appointing them as Statutory Auditors of the Company for a term of up to 5 years and fixing their remuneration:

“RESOLVED THAT pursuant to Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended, the appointment of M/s. Ramasamy Koteswara Rao and Co LLP, Chartered Accountants (ICAI Firm Registration No. 010396S/S200084) as statutory auditors by the Board of Directors (Board) to hold office from 28 June 2019 till the conclusion of 26th Annual General Meeting (AGM), for filling the casual vacancy caused by the resignation of M/s. Sekhar & Co., Chartered Accountants (Firm Registration No. 003695S) be and is hereby approved.

RESOLVED FURTHER THAT pursuant to Section 139, 140 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended, M/s. Ramasamy Koteswara Rao and Co LLP, Chartered Accountants (ICAI Firm Registration No. 010396S/S200084), be and are hereby appointed as Statutory Auditors of the Company for a term of up to 5 years to hold office from the conclusion of this AGM till the conclusion of the 31st AGM and on such remuneration, , as recommended by the Audit Committee and approved by the Board of Directors.”

SPECIAL BUSINESS:

6. Appointment of Dr. Ravindra Kumar Tyagi as Independent Director 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 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, the consent of members of the Company be and is hereby accorded to appoint Dr. Ravindra Kumar Tyagi (DIN: 01509031), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 01 April 2019 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 appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 3 (Three) consecutive years i.e., from 01 April 2019 to 31 March 2022.

7. Re-appointment of Mr. M. Ravi Kumar as 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 Sections 196, 197, 203 and all other applicable provisions of the Companies Act, 2013, read with Schedule V to the said Act, recommendation of the Nomination and Remuneration Committee and subject to other approvals as are necessary, Mr. Ravi Kumar Midathala (DIN: 00089921) be and is hereby reappointed as Whole Time Director of the Company for a period of Three years from 29 June 2019 to 28 June 2022 on the terms and conditions and at a remuneration as set out in the statement herein below:

SALARY: ₹ 3,00,000/- (Rupees Three Lakh only) per month.

PERQUISITES: In addition to the above, he shall be entitled to the following perquisites classified into three categories A, B & C as follows:

CATEGORY – A

The following perquisites given in this Category will be allowed in addition to the salary and restricted to a maximum amount of ₹ 20,27,000/- (Rupees Twenty Lakh Twenty Seven Thousand 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: Expenses incurred for self and family, subject to a ceiling of one month's salary in a year or three month's salary over a period of three years or as is provided by the companies' 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 – B

- 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 – C

- h) Car for the purpose of Company's business and telephone(s) at residence will be provided. The Company will bill personal long distance calls on the telephone(s) and use of car for personal purposes. The provisions for car and telephone will not be considered as perquisites.

OTHER TERMS:

- i) One month's leave with full pay and allowance for every eleven months of service. Leave accumulated but not availed in the previous financial year will be carried forward to next financial year.
- j) Reimbursement of reasonable entertainment and other expenses actually and properly incurred in connection with the business of the Company.
- k) Mr. M Ravi Kumar shall not, so long as he functions as the Whole Time Director, be entitled to receive any fee for attending any meeting of the Board or Committee thereof.

RESOLVED FURTHER THAT Mr. Ashok Atluri, Managing Director of the Company or any other director of the Company be and are hereby authorized to do all such acts, deeds, matters, things and take all such steps as may

be necessary, proper or expedient to give effect to this resolution.

RESOLVED FURTHER THAT the aggregate remuneration inclusive of salary and other benefits to Mr. M Ravi Kumar 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, the above remuneration shall be paid as minimum remuneration under Schedule V read with Section 196, 197 and 203 of the Companies Act 2013.

RESOLVED FURTHER THAT Mr. M Ravi Kumar shall not be subject to retirement by rotation during his tenure as Whole-time Director.

RESOLVED FURTHER THAT the consent of shareholders under this resolution is also deemed to be consented under the provisions of Regulation 17(6) of the SEBI (LODR) Regulations, 2015."

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

Hansaj Singh Rajput
Company Secretary
M. No. A38213

Dated: 03 August 2019
Place: Hyderabad



Notes

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013, is annexed hereto.
2. A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and such proxy need not be a member of the Company.
3. The instrument appointing the proxy must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. A Proxy Form for the Annual general meeting is enclosed.
4. Members/proxies/authorized representatives should bring the duly filled Attendance Slip attached herewith to attend the meeting.
5. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
6. The register of directors and key managerial personnel and their shareholding maintained under Section 170 and the register of contracts or arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the annual general meeting.
7. The Company has fixed Friday, September 13, 2019, as the 'Record Date' for the purpose of AGM and for determining entitlement of Members to dividend for the financial year ended 31 March 2019.
8. The dividend for the year ended 31 March 2019 as recommended by the Board, i.e. 30% @ ₹ 0.30 (Thirty 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 after effecting valid transfers received upto the close of business hours on Friday, September 13, 2019. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details provided as at the close of business hours on Friday, September 13, 2019 by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose. The dividend on equity shares, if declared at the meeting, will be credited / dispatched within one month from the date of this meeting.
9. The unclaimed equity dividend for the year ended 31 March 2012 will be transferred on 02 November, 2019 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 encashed 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.
10. 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.
11. 75,910 shares in respect of which dividend has not been paid or claimed for seven consecutive years or more (relevant shares) were transferred by the Company in the name of IEPF and the statement containing such details as may be prescribed is placed on Company's website www.zentechnologies.com under investors section.
12. 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, M/s Karvy Fintech Private Limited (Karvy) 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.
13. Members are requested to address all correspondence, including on dividends, to the Registrar and Share Transfer Agents, Karvy Fintech Private Limited (formerly known as Karvy Computershare Private Limited), Unit : Zen Technologies Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032.
14. 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.zentechnologies.com/unpaid-unclaimed-dividend>.
15. All relevant documents referred in the accompanying Notice and explanatory statement are open for inspection to the Members at the Registered Office of the Company during business hours between 11.00 a.m. to 1.00 p.m. on all days except Saturdays, Sundays and Public Holidays up to the date of the AGM.
16. Pursuant to SEBI circular dated 20 April 2018, shareholders whose ledger folios do not have or having incomplete details with regard to PAN and Bank particulars are requested to furnish the details to the Karvy or to the Company for registration in the folio.

17. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Karvy/Depository Participant to enable the Company to send communications electronically.
18. The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depository Participant, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
19. Members may also note that the Notice of the 26thAGM and the Annual Report 2018-19 will be available on the Company's website, www.zentechnologies.com. The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members desiring any information as regards accounts are requested to write to the Company to: investors@zentechnologies.com, at least seven days before the date of the meeting to enable the management to keep the information ready at the meeting.
20. Additional information, pursuant to Regulation 36 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchanges, 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.

21. Voting by electronic means:

In terms of the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this Section of the Notice) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility to exercise voting rights on the items of business given in the Notice through electronic voting system, to Members holding shares as on Friday, September 13, 2019 (End of Day) being the Cut-off date fixed for determining voting rights of Members, entitled to participate in the e-voting process, through the e-voting platform provided by Karvy. The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting (remote e-voting).

A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories (holding shares either in physical form or in dematerialized form) as on Friday, September 13, 2019 the "Cut-off date" shall be entitled to avail the facility of remote e-voting as well as voting in the general meeting.

The instructions for remote E-Voting are as under:

1. A) In case a member receives an e-mail from Karvy [for members whose e-mail addresses are registered with the Company/Depository Participant(s)]:
 - (a) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - (b) 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 Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> or contact toll free number 1-800-3454-001 for your existing password.
 - (c) After entering these details appropriately click on "LOGIN".
 - (d) 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.
 - (e) You need to login again with the new credentials.
 - (f) On successful login, the system will prompt you to select the e-voting event number for the Company i.e. Zen Technologies Limited.
 - (g) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cutoff date i.e. Friday, September 13, 2019. You may also choose the option "ABSTAIN". If the shareholder does not include either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - (h) 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 26th AGM separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.



- (i) You may then cast your vote by selecting an appropriate option and click on "Submit".
 - (j) 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. During the voting period, members can login any number of times till they have voted on the resolution(s).
 - (k) 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 with a copy marked to evoting@karvy.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 "ZENETECHNOLOGIES_EVENT NO."
- B) In case a member receives physical copy of the notice by courier / post [for members whose e-mail ids are not registered with the Company/Depository Participant(s)]:
- (a) User ID and initial password – as provided overleaf.
 - (b) Please follow all steps from sr. no. (a) to (k) as mentioned in (1A) above, to cast your vote.
2. Any person, who acquires shares and becomes Member of the Company after the dispatch of the Notice and holds shares as on the Cut-off date i.e. Friday, September 13, 2019, may write to Karvy on the email Id: evoting@karvy.com or to Mr V Raghunath, Deputy Manager Ph: 040-67161606, at Karvy Fintech Private Limited, Unit: Zen Technologies Limited, Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, requesting for User ID and Password. After receipt of the above credentials, please follow all the steps explained in 1 above, to cast the vote.
 3. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.
 4. In case of any query pertaining to e-voting, please visit help & FAQ's section available at Karvy's website <https://evoting.karvy.com>.
 5. Members can cast their vote online **from Monday, September 16, 2019 from 09.00 A.M. to Friday, September 20, 2019 up to 05.00 P.M.** During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e., Friday, September 13, 2019, may cast their vote electronically. The remote e-voting module will be disabled by Karvy for voting thereafter.
 6. Only those Members, whose names appear in the Register of Members / List of beneficial owners as on Friday, September 13, 2019 (Cut-off date), shall be entitled to vote (through remote e-voting / physical ballot paper) on the resolutions set-forth in the Notice of the 26th Annual General Meeting (AGM) and their voting rights shall be in proportion to their shares in the paid up equity share capital of the Company as on the Cut-off date.
 7. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, September 13, 2019 and who have not already cast their votes by remote e-voting shall be able to exercise their right to vote at the AGM.
 8. Members can opt for only one mode of voting i.e. either by physical ballot paper or remote e-voting. However, if Members cast their vote through both mode of voting, then the voting through remote e-voting shall prevail.
 9. The Members who have cast their vote by remote e-voting may also attend the AGM but shall not be entitled to cast their vote again.
 10. The Board of Directors has appointed Mr D S Rao, Practicing Company Secretary, (M. No. 12394), as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 11. The members who are entitled to vote but have not exercised their right to vote through remote e-voting may vote at the AGM through Ballot Paper explained in AGM Notice, for all businesses specified in the accompanying Notice.
 12. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, will first count the votes cast at the meeting through Ballot Paper thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and will make, not later than 48 hours from the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who will countersign the same. The Chairman or a person authorised by him in writing will declare the result of voting forthwith.
 13. The Results on resolutions shall be declared not later than 48 hours from the conclusion of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
 14. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.zentechologies.com) and on Service Provider's website (<https://evoting.karvy.com>) and communication of the same to the BSE Limited and the National Stock Exchange of India Limited within 48 hours from the conclusion of the AGM.

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

Item No. 5: Appointment of Statutory Auditors.

In terms of Regulation 36(5) of Listing Regulations, 2015

Your Company's Auditors, M/s. Sekhar & Co., Chartered Accountants (Firm Registration No. 003695S) were appointed at the 24th AGM to hold office until the conclusion of the 29th AGM. However, vide their letter dated June 28, 2019 they have expressed their inability to continue as Statutory Auditors of your Company up to the conclusion of the 29th AGM. The Board thus appointed M/s. Ramasamy Koteswara Rao and Co LLP, Chartered Accountants (ICAI Firm Registration No. 010396S/S200084) as Statutory Auditors of your Company to fill the casual vacancy caused by the said resignation effective from June 28, 2019 till the conclusion of the forthcoming AGM.

Ramasamy Koteswara Rao and Co LLP is a Chartered Accountants firm established in 2003 with registration no. 010396S/S200084. Ramasamy Koteswara Rao and Co LLP was co-founded by Mr. Ramasamy Radhakrishnan and Mr. C.V. Koteswara Rao. The founders are associated in the field for chartered accountancy for over 30 years. Besides Taxation and Statutory Audit, the firm's practice has grown steadily in the areas of Internal Audit, Concurrent Audit/ Stock Audit, Management Audit, FEMA and Taxation of Non Residents. The firm has a strong team of 10 partners and 40+ professional staff (qualified and semi-qualified Chartered Accountants).

The Audit Committee considered various parameters like capability to serve the business landscape of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found Ramasamy Koteswara Rao and Co LLP to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

In accordance with the Companies Act, 2013 and on the recommendation of the Audit Committee, the Board of Directors on June 28, 2019, have considered and recommended the proposed appointment of M/s. Ramasamy Koteswara Rao and Co LLP, Chartered Accountants as Statutory Auditors of the Company and to hold office for a period of up to 5 consecutive years from the conclusion of the 26th AGM till the conclusion of the 31st AGM.

Your Company has obtained consent of M/s. Ramasamy Koteswara Rao and Co LLP and a certificate in accordance with Section 139, 141 and other applicable provisions of the Act to the effect that their appointment, if made, shall be in accordance with the conditions prescribed and that they are eligible to hold office as Statutory Auditors of the Company. The detail of the proposed remuneration to be paid to M/s. Ramasamy Koteswara Rao and Co LLP, Chartered

Accountants for the financial year is ₹ 3 lakhs (Three lakhs) plus GST and out of pocket expenses. They may be paid separately for other certification services, if any, as may be allowed and agreed between the company and the statutory auditors from time to time. Further, there is no material change in the proposed fee payable to M/s. Ramasamy Koteswara Rao and Co LLP from that paid to the outgoing auditor.

None of the Directors, Key Managerial Personnel of your Company and their relatives is in any way concerned or interested, financially or otherwise in the said appointment.

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

Item No. 6: Appointment of Dr Ravindra Kumar Tyagi as Independent Director of the Company

Dr Ravindra Kumar Tyagi was appointed as Additional Director (Independent Director) of the Company with effect from 01 April 2019 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) has recommended appointment of Dr Ravindra Kumar Tyagi as Independent Director of the Company.

The Board on the recommendation of NRC, proposed to appoint Dr Ravindra Kumar Tyagi as an independent Director of the Company, for a period of 3 (three) years on the Board .

Dr Ravindra Kumar Tyagi 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 under Section 149(6) of the Companies Act, 2013 and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Board of Directors of the Company, after reviewing the documents submitted by Dr Ravindra Kumar Tyagi 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 Dr Ravindra Kumar Tyagi are provided in the 'Annexure-A' to the Notice. The terms and conditions of appointment of Dr Ravindra Kumar Tyagi shall be open for inspection by the Members at the Registered Office of the Company during the business hours on any working day, up to the date of Annual General Meeting and during the Annual General Meeting.



The resolution seeks the approval of members for the appointment of Dr Ravindra Kumar Tyagi as 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 appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is interested in or concerned with the said Resolution.

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

Item No. 7: To consider reappointment of Mr. M. Ravi Kumar as Whole-time Director and fixing remuneration.

Mr M Ravi Kumar, who is 58 years old and has been on the Board of the Company since incorporation i.e. (29/06/1993), is key and instrumental in developing the technology and products of the Company. He is basically adept in systems programming, Systems Integration, robotics and main guiding force behind the progress of Zen Technologies Limited. He worked in Bureau of Data Processing Services (BDPS) (1979-85), Nova Computers Private Limited (1986-90). He also served for the Institute of Engineers as a director. He is actively involved in the design and development of the present range of simulators for the company in his role as Head, R&D Division. He is the person behind the successful development of Zen-SATS and currently administers the development of Zen TacSim® among other projects. His vision, foresightedness and planning have always been giving a good path to the Company in its new ventures.

As the term of Mr M Ravi Kumar as the whole-time director would end on 28 June 2019 the Board opined that his services should continue to be available to the Company to achieve still greater heights, by reappointing him as whole time Director, for a period of 3 years w.e.f 29 June, 2019. The Board of Directors at their meeting held on 18 May 2019 has reappointed Mr M Ravi Kumar as a Whole Time Director of the Company based on the recommendations of Nomination and Remuneration Committee subject to the approval of shareholders. 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. In the previous year, he was paid ₹ 40.52 lakhs as remuneration and taking into consideration the duties and responsibilities of the whole time Director, the prevailing managerial remuneration in industry and on the recommendation of the Nomination and Remuneration Committee, the Board at their meeting held on 18 May 2019, approved the remuneration, terms and conditions of the re-appointment of Mr M Ravi Kumar, subject to approval of the shareholders.

Notwithstanding anything contained contrary to herein, above in case, in any financial year during the tenure of Mr M Ravi Kumar,

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 Mr M Ravi Kumar.

Mr M Ravi Kumar holds 794,000 equity shares individually. He has attended all the 6 (six) Board meetings held during 2018-19. He is a Director on the Board of Version 2 Games Limited. He does not have Directorships in any other company He is the member of Corporate Social Responsibility Committee and Risk Management Committee. Other details of Mr. M Ravi Kumar are provided in the 'Annexure-A' to the Notice.

As required by the Companies Act, 2013, approval of the members is being sought, for the re-appointment and remuneration of Mr M Ravi Kumar, Whole Time Director.

Except Mr M Ravi Kumar being the appointee, none of the other Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested in the Resolution.

The Board commends 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 | 2016-17 | 2017-18 | 2018-19 |
|--|----------|----------|----------|
| Turnover (₹ in lakhs) | 6,165.00 | 3,896.00 | 9,222.00 |
| Net profit /(loss) as per profit and loss account (₹ in lakhs) | 717.00 | 21.00 | 1,906.00 |
| Amount of dividend paid (excluding dividend tax) (₹ in lakhs) | 77.16 | 115.74 | 77.16 |
| Rate of dividend declared | 10% | 15% | 10% |

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

II. INFORMATION ABOUT THE APPOINTEE:

- (1) Background details:

Mr M Ravi Kumar, aged 58 years is a Diploma holder in Computer Applications. He worked in Bureau of Data Processing Services (BDPS), Nova Computers Private Limited and as Systems Director at the Institute of Engineers. He is

an adept in Systems Programming, Systems Integration and Robotics. He is actively involved in the design and development of the present range of Simulators for the company in his role as Head, R&D Division.

- (2) Past remuneration: ₹ 40.52 lakhs per annum
- (3) Recognition or awards: NIL
- (4) Job profile and suitability:

Mr M Ravi Kumar is one of the first directors of the Company and has been Whole Time Director since incorporation and has played an important role in the growth of Zen Technologies Limited. He has over 28 years of experience in defence Industry.

- (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 Mr M Ravi Kumar and the responsibilities shouldered on him, 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:

Mr. M Ravi Kumar is holding 794,000 equity shares 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.

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 2018-19.

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

Hansaj Singh Rajput
Company Secretary
M. No. A38213

Registered Office:

B-42, Industrial Estate
Sanathnagar, Hyderabad-500018, Telangana, INDIA
CIN: L72200TG1993PLC015939
Phone: +91- 40 - 23813281, 23812894
Fax: +91- 40 - 23813694
Email id: info@zentechnologies.com
Website: www.zentechnologies.com

Dated: 03 August 2019

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 | Dr Ravindra Kumar Tyagi | Mr Ravi Kumar Midathala |
|---|---|--|--|
| Date of Birth | 31 December 1965 | 06 January 1955 | 12 August 1961 |
| Date of Appointment | 01 October 2007 | 01 April 2019 | 29 June 2008 |
| Relationship with Directors | Not related to any Director | Not related to any Director | Not related to any Director |
| 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 42 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). | He has 28 years of experience in the defence industry. He is basically an adept in Systems Programming and Robotics. He is actively involved in the design and development of the present range of simulators for the company in his role as Head, R&D Division. |
| Qualification | PG Diploma holder in Applied Computer Science, Bachelor's degree in Commerce | Ph.D (Doctorate in Management Studies), Advanced Leadership Course, (I.S.B.), Hyderabad, MBA (Marketing), B.Engg. (Electronics & Communication) – I.I.T.,Roorkee. | Diploma holder in Computer Applications |
| ®Board Membership of other companies | 1. Version 2 Games Limited 2. Zen SkillProc Private Limited | 1. Air India Limited 2. Indamer Aviation Private Limited 3. Indamer Mjets Airport Services Private Limited | 1.Version 2 Games Limited |
| Chairman/ Member of the Committee of the Board of Directors | Audit, Stakeholders Relationship, CSR Committees | Audit Committee | CSR and Risk Management Committees. |
| Chairman/ Member of the committee of Directors of other companies in which he is a director | Nil | Nil | Nil |
| a) Audit Committee | Nil | Member – Air India Limited | Nil |
| b) Stakeholders' Relationship Committee | Nil | Nil | Nil |
| c) Nomination and Remuneration Committee | Nil | Member – Air India Limited | Nil |
| Number of shares held in the Company as on 31 March 2019 | 2,02,11,250 equity shares | Nil | 7,94,000 equity shares |

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.

ROAD MAP TO THE AGM VENUE

