



ZEN TECHNOLOGIES LIMITED

CIN: L72200TG1993PLC015939
Registered Office: B-42, Industrial Estate, Sanath Nagar
Hyderabad – 500 018, Telangana, India

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 27th Annual General Meeting (AGM) of the members of **Zen Technologies Limited** (CIN: L72200TG1993PLC015939) (the Company) will be held on **Saturday the 19 September 2020** 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 March 31, 2020 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 2020 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 2020 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 2020 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 March 2020 and in this regard, pass the following

resolution as an Ordinary Resolution:

“RESOLVED THAT a dividend at the rate of ₹ 0.40/- (Forty 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 2020 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 2020.”

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. Appointment of Dr. Ajay Kumar Singh as an 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, Dr. Ajay Kumar Singh (DIN: 08532830), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 02 November 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 02 November 2019 to 01 November 2022.”

6. Appointment of Ms. Sirisha Chintapalli as an 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, Ms. Sirisha Chintapalli (DIN: 08407008), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 08 August 2020 and who has submitted a declaration that she 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 08 August 2020 to 07 August 2023.”

7. Re-appointment of Mr. Ashok Atluri as the Managing 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 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, Mr. Ashok Atluri (DIN: 00056050) be and is hereby reappointed as the Managing Director of the Company for a

period of Three (3) years from 01 October 2020 to 30 September 2023 on the terms and conditions and at a remuneration as set out in the statement herein below:

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

B. PERQUISITES: In addition to the aforesaid salary, Mr. Ashok Atluri shall also 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 ₹ 22,00,000/- (Rupees Twenty Two 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 or any modification thereof subject to a ceiling of ten percent of the salary (10%).
- b) Medical Insurance: 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) 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 Managing Director and will pay the bills on actual basis. Personal long distance telephone calls shall be borne by Mr Ashok Atluri.



C. OTHER TERMS:

- 1) 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.
- 2) Reimbursement of reasonable entertainment and other expenses actually and properly incurred in connection with the business of the Company.
- 3) Mr. Ashok Atluri shall not, so long as he functions as the Managing Director, be entitled to receive any fee for attending any meeting of the Board or Committee thereof.
- 4) Notice period and other terms regarding cessation of employment shall be governed as per the rules of the company.

D. COMMISSION: In addition to the above, commission @3% on the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, be paid to the Managing Director subject to the condition that the total remuneration for each year shall not exceed the overall limit as provided under Section 197 of the Companies Act, 2013 read with schedule V of the Companies Act, 2013.

E. INCREMENTS: Increments may be given subject to the overall limits specified under Section 197 read with Schedule V of the Companies Act, 2013.

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 Board of Directors be and is hereby authorized to alter and vary the terms and conditions of appointment and /or remuneration including annual increments based on the performance appraisal, provided the same are not exceeding the limits specified under Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereto.

RESOLVED FURTHER THAT the aggregate remuneration inclusive of salary and other benefits to Mr. Ashok Atluri shall always be within the overall ceiling laid down in Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act, for the time being in force.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits, in any financial year during the tenure of Managing 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. Re-appointment 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 re-appointment of 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 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 – ₹ 1,78,000/- (Rupees One Lakh Seventy Eight Thousand only) per month

B. House Rent Allowance (HRA) – At the rate of 40% of Basic Salary – ₹ 71,200/- (Rupees Seventy One Thousand Two Hundred only) per month

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, HRA and Incentive, Mr. Kishore Dutt Atluri will also be entitled to the following perquisites and allowances restricted to a maximum amount of ₹ 6,00,000/- (Rupees Six 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.

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. Alteration of the Object Clause of the Memorandum of Association 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 Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with applicable rules and regulations made thereunder (including any statutory modification(s) or reenactment(s) thereof for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other rules/regulations as may be applicable in this regard and subject to such approvals, permissions and sanctions of Registrar of Companies, appropriate authorities, departments or bodies as and to the extent necessary, the existing Object Clause III of the Memorandum of Association (the "MOA") be and is hereby altered as under : -

(i) The existing heading of Clause III (A) "**THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:**" be substituted by the new heading titled as "**THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE AS UNDER:**"

(ii) The existing heading of Clause III (B) "**THE OBJECTS ANCILLARY OR INCIDENTAL TO ATTAINMENT OF MAIN OBJECT ARE:**" be substituted by the new heading titled as "**MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE AS UNDER:**"

(iii) The title of the existing Clause III (C) of the Objects Clause of the Memorandum of Association of the Company i.e. "**THE OTHER OBJECTS OF THE COMPANY ARE:**" be deleted and the objects mentioned in Clause III (C) be included under the ambit of Clause III (B) and be serially re-numbered as sub-clauses 30 to 38.

RESOLVED FURTHER THAT the words 'Companies Act, 1956' in the existing MOA shall be substituted with the words 'Companies Act, 2013', wherever required and reference to various Sections of the Companies Act, 1956 in the existing MOA, be replaced with the reference to the corresponding Sections of the Companies Act, 2013.

RESOLVED FURTHER THAT since the Andhra Pradesh state is divided and the registered office of the company falls in the state of Telangana, the same be rectified in the MOA of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, to settle any questions, difficulties or doubts that may arise in this regard and accede to such modifications and alterations to the aforesaid resolution as may be suggested by the Registrar of Companies or such other authority arising from or incidental to the said amendment without requiring the Board to secure any further consent or approval of the members of the Company."

10. Alteration of the Liability Clause of the Memorandum of Association 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 Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with applicable rules and regulations made thereunder (including any statutory modification(s) or reenactment(s) thereof for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other rules/regulations as may be applicable in this regard and subject to such approvals, permissions and



sanctions of Registrar of Companies, appropriate authorities, departments or bodies as and to the extent necessary, consent of the members of the Company be and is hereby accorded for effecting the following alterations in the existing Clause IV (Liability Clause) of the Memorandum of Association (the "MOA") of the Company by replacing and substituting the same with the following new clause: -

"IV. The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, to settle any questions, difficulties or doubts that may arise in this regard and accede to such modifications and alterations to the aforesaid resolution as may be suggested by the Registrar of Companies or such other authority arising from or incidental to the said amendment without requiring the Board to secure any further consent or approval of the members of the Company."

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

Hansraj Singh Rajput
Company Secretary
M. No. A38213

Place: Hyderabad

Date: 08 August 2020

Notes

1. Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC / OAVM (hereinafter referred to as "AGM" or "e-AGM"). In accordance with the Secretarial Standard-2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/Clarification dated April, 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the e-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 with a copy marked to evoting@karvy.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, 14 September 2020 through email on 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 May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website <https://www.zentechnologies.com/>, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of Company's Registrar and Transfer Agent, KFin Technologies Private Limited ("KFinTech") at <https://evoting.karvy.com>
 10. For receiving all communication (including Annual Report) from the Company electronically:
 - a. 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 or to KFinTech at einward.ris@kfinotech.com.
 - b. 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.
 - a) 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:

 - i. Launch internet browser (chrome/firefox/safari) by typing the URL: <https://emeetings.kfintech.com>
 - ii. Enter the login credentials (i.e., User ID and password for e-voting).

- iii. After logging in, click on "Video Conference" option.
 - iv. 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, 10 September 2020 to Thursday, 17 September 2020**. 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 or call on toll free numbers 1800-425-8998/1800-345-4001. 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").

Further, the facility for voting through electronic voting system will also be made available at the Meeting ("Insta Poll") and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll.

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.

The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting: 9:00 a.m. on Monday, 14 September 2020

End of remote e-voting: 5:00 p.m. on Friday, 18 September 2020

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFinTech upon expiry of the aforesaid period.

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, 11 September 2020.

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.

Information and instructions relating to e-voting are as under :

- i. **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.**

ii. 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".

iii. 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, 11 September 2020** 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.

iv. 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, 11 September 2020** may write to Karvy on the email Id: evoting@karvy.com or to Mr V Raghunath, Deputy Manager Ph: 040-67161606, at KFin Technologies Private Limited, Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, India, requesting for User ID and Password.

v. 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.

vi. Information and instructions for remote e-voting:

I. A) In case a member receives an e-mail from KFinTech [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. 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 27th 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 "ZEN TECHNOLOGIES_EVENT NO."

B) In case of a member whose e-mail address is not registered / updated with the Company / KFinTech / Depository Participant(s), please follow the following steps to generate your login credentials :

- (a) Members holding shares in physical mode, who have not registered / updated their email addresses 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 to KFinTech at einward.ris@kfintech.com



(b) Members holding shares in dematerialised mode who have not registered their e-mail addresses with their Depository Participant(s) are requested to register / update their email addresses with the Depository Participant(s) with whom they maintain their demat accounts.

(c) After due verification, the Company / KFinTech will forward your login credentials to your registered email address.

(d) Please follow all steps from sr. no. (a) to (k) as mentioned in I.(A). above, to cast your vote.

II. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending further communication(s).

III. In case of any query pertaining to e-voting, please visit help & FAQ's section available at Karvy's website <https://evoting.karvy.com> or contact KFinTech as per the details given under sub-point no. IV below

IV. 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, Ph: 040-67161606, Toll-free No.: 1800-425-8998/1800-345-4001, email: evoting@karvy.com

vii. 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.

viii. 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 forty-eight hours 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 and on the website of KFinTech at: <https://evoting.karvy.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.

ix. 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, 19 September 2020.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

16. 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.

IEPF RELATED INFORMATION:

17. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2011-12, 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

18. The unclaimed equity dividend for the year ended 31 March 2013 will be transferred on 03 November, 2020 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.

19. 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>.

20. 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 2019-20, 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 02, 2019. 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.

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:

21. The Company has fixed **Friday, 11 September 2020** as the '**Record Date**' for the purpose of AGM and for determining entitlement of Members to dividend for the financial year ended March 31, 2020.

22. The dividend for the year ended 31 March 2020 as recommended by the Board, i.e. 40% @ ₹ 0.40 (Forty 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.

23. 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 despatched to the registered address of the shareholders who have not updated their bank account details, after normalisation of the postal service.

24. 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.

25. 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.

26. 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. 1st 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 (1)	Particulars (2)	Withholding Tax Rate (3)	Documents required (if any) (4)
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		Documentary evidence for coverage.

	as Government, RBI, corporations established by Central Act & mutual funds.	NIL.	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"> • Recognised provident funds • Approved superannuation fund • Approved gratuity fund 	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 (1)	Particulars (2)	Withholding Tax Rate (3)	Documents required (if any) (4)
1.	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs).	20% (plus applicable surcharge and cess).	FPI registration number / certificate.
2.	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.

3.	Other Non-resident shareholders.	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial.	<p>To avail beneficial rate of tax treaty following tax documents would be required:</p> <ol style="list-style-type: none"> 1. Tax Residency certificate issued by revenue authority of country of residence of shareholder for the year in which dividend is received. 3. Form 10F filled & duly signed. 4. Self-declaration for non-existence of permanent establishment/ fixed base in India (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).
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 :

i. 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).

ii. 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 or to the KFinTech at einward.ris@kfintech.com on or **before Friday, 4 September 2020** to enable the Company to determine the appropriate TDS / withholding tax rate applicable. Any communication on the tax determination/deduction received post Friday, 4 September 2020 shall not be considered.

iii. 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.

iv. 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.

v. 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.

vi. 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:

27. 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.

28. Members holding shares in physical mode are :

a. 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 or to KFinTech at 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.

29. 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.

30. 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.



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

Item No. 5: Appointment of Dr. Ajay Kumar Singh as an Independent Director of the Company.

Dr. Ajay Kumar Singh was appointed as an Additional Director (Independent Director) of the Company with effect from 02 November 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. Ajay Kumar Singh as an Independent Director of the Company.

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

Dr. Ajay Kumar Singh 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 Dr. Ajay Kumar Singh 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. Ajay Kumar Singh are provided in the '**Annexure-A**' to the Notice. The terms and conditions of appointment of Dr. Ajay Kumar Singh 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.zentechologies.com/investor-information>

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

Dr. Ajay Kumar Singh is interested in the resolution set out at Item No. 5 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, financially or otherwise, with the said Resolution.

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

Item No. 6: Appointment of Ms. Sirisha Chintapalli as Independent Director of the Company.

Ms. Sirisha Chintapalli was appointed as Additional Director (Independent Director) of the Company with effect from 08 August 2020 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 Ms. Sirisha Chintapalli as Independent Director of the Company.

The Board on the recommendation of NRC, proposed to appoint Ms. Sirisha Chintapalli as an independent Director of the Company, for a period of 3 (three) years on the Board.

Ms. Sirisha Chintapalli has given her consent to act as director and declaration to the effect that she is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013. She further submitted a declaration that she 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 Ms. Sirisha Chintapalli are of the opinion that she fulfills the conditions specified in the Companies Act, 2013 and Listing Regulations and she is independent of the Management.

Details of Ms. Sirisha Chintapalli are provided in the '**Annexure-A**' to the Notice. The terms and conditions of appointment of Ms. Sirisha Chintapalli 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.zentechologies.com/investor-information>.

The resolution seeks the approval of members for the appointment of Ms. Sirisha Chintapalli as Independent Director of the Company as detailed in the resolution.

Ms. Sirisha Chintapalli is interested in the resolution set out at Item No. 6 of the Notice with regard to her 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 Resolution set out at Item No. 6 of the notice for approval by the members.

Item No. 7: Re-appointment of Mr. Ashok Atluri as the Managing Director and fixing remuneration.

Mr. Ashok Atluri is the Promoter of the company and is also the Chairman and Managing Director of the company since more than two decades and has played an instrumental role in the growth of the company. During his tenure as Managing Director of the Company, he has made significant contribution to the growth of the Company in terms of business and profitability.

Mr. Ashok Atluri, a Bachelor of Commerce and a PG Diploma holder in Applied Computer Science also has experience in the field of Business Management, Strategy, Finance and Administration. He has been instrumental in helping to design the simulators so that they would be simple to use, and ensured that the products would be based on industry standards, by developing the software on the Windows-Intel platforms. He is also a recipient of the "Small Scale Entrepreneur of the Year" award from Hyderabad Management Association in 1998.

As the term of Mr. Ashok Atluri as the Managing Director would end on 30 September 2020, the Board opined that considering his immense contribution and in the interest of efficient management, his services should continue to be available to the Company to achieve still greater heights, by reappointing him as the Managing Director, for a period of 3 years w.e.f 1 October 2020 on the terms and conditions as set out in the resolution at Item No 7. The Board of Directors at their meeting held on 08 August 2020 has reappointed Mr. Ashok Atluri as the Managing 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 ₹ 51.92 Lakhs as remuneration and ₹ 132.21 Lakhs as commission and taking into consideration the duties and responsibilities of the Managing Director, the prevailing managerial remuneration in industry and on the recommendations of the Nomination and Remuneration Committee, the Board at their meeting held on 08 August 2020, approved the remuneration, terms and conditions of the re-appointment of Mr. Ashok Atluri, subject to approval of the shareholders.

Notwithstanding anything contained contrary to herein, above in case, in any financial year during the tenure of Mr. Ashok Atluri, 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. Ashok Atluri.

Mr. Ashok Atluri holds 2,02,11,250 equity shares individually. He has attended all the 5 (five) Board meetings held during the financial year 2019-2020. He is also a Director on the Board of Zen Skillproc Private Limited and Version 2 Games Limited (under process of striking off). He does not have Directorships in any other company. He is the member

of Audit Committee, Stakeholder Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. Other details of Mr. Ashok Atluri 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. Ashok Atluri, Managing Director.

Except Mr. Ashok 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.

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	2017-18	2018-19	2019-20
Turnover (₹ in lakhs)	3,896.00	9,222.00	14,698.00
Net profit /(loss) as per profit and loss account (₹ in lakhs)	21.00	1,906.00	6052.60
Amount of dividend paid (excluding dividend tax) (₹ in lakhs)	115.74	77.16	231.48
Rate of dividend declared	15%	10%	30%

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

II. INFORMATION ABOUT THE APPOINTEE:

- (1) Background details:

Mr. Ashok Atluri, aged 54 years is a PG Diploma holder in Applied Computer Science also has experience in the field of Business Management, Strategy, Finance and Administration. He has been instrumental in designing the simulators on the Windows-Intel platforms to ensure the products are simple to use and meet industry standards.

- (2) Past remuneration: ₹ 51.92 Lakhs as remuneration and ₹ 132.21 Lakhs as commission



(3) Recognition or awards: He received the “Small Scale Entrepreneur of the Year” award from Hyderabad Management Association in 1998.

(4) Job profile and suitability:

Mr. Ashok Atluri is the Chairman and Managing Director since more than two decades and has played an important role in the growth of Zen Technologies Limited. The position requires deep understanding of the customer and procurement process. Understanding the customer helps in deciding how to address the needs and understanding the process helps in delivering the developed equipment to the customer. Mr. Ashok Atluri has deep experience with the customer and has deep grasp of the procurement process.

(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. Ashok Atluri 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. Ashok Atluri is Chairman and Managing Director of the Company and holds 2,02,11,250 equity shares.

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 2019-2020.

Item No. 8: Re-appointment of Mr. Kishore Dutt Atluri, to office or place of profit 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 22nd Annual General Meeting held on 26 September 2015, 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 2015 at such remuneration and terms and conditions as contained therein.

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 and as also the term would end on 30 September 2020, the Nomination and Remuneration Committee, the Audit Committee and the Board of Directors of the Company at respective meetings held on 08 August 2020 approved, 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 appointment and remuneration payable to Mr. Kishore Dutt Atluri w.e.f. 1 October 2020.

The particulars of the transaction pursuant to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 and amendments.

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 appointment and revision in remuneration payable to Mr. Kishore Dutt Atluri w.e.f. 1 October 2020, 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 No. 9: Alteration of the Object Clause of the Memorandum of Association of the Company.

Upon enactment of the Companies Act, 2013, ("Act"), it is necessary to align the MOA of the Company as per the provisions of the new Act. As per the Companies Act, 2013, a Company can have only following objects clause in its MOA.

1. The objects to be pursued by the company on its incorporation i.e. main objects.
2. Matters which are necessary for furtherance of the main objects.

In view of the said requirements, the Objects Clause is proposed to be amended as follows:

- i. The Objects Clause will now have 2 parts viz. **Part A – "The Objects to be pursued by the Company on its incorporation"** and **Part B – "Matters which are necessary for furtherance of the Objects specified in Clause III (A)"**.
- ii. The existing Part B of Clause III of the MOA is proposed to be retained except that the reference to various sections of the Companies Act, 1956 are proposed to be replaced with the reference to the corresponding sections of the Companies Act, 2013.
- iii. The title of the existing **Part C – "Other Objects"** is proposed to be deleted and the sub-clauses falling under the existing Part C are to be included under the ambit of Part B of Clause III and are to be re-numbered.

The alteration of objects clause of the MOA is an item required to be transacted by means of postal ballot under the provisions of section 110 of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014. However,

in terms of the proviso to section 110 of the Companies Act, 2013 introduced as per the Companies (Amendment) Act, 2017, read with Rule 20 and 22 of the Companies (Companies Management and Administration) Rules, 2014 including any statutory modifications and amendments thereto, approval of shareholders for any item of business required to be transacted by means of postal ballot may be transacted at a general meeting by a company which is required to provide the facility of voting by electronic means to its shareholders. The Company, being a listed Company is required to provide the facility of voting by electronic means to its shareholders and hence, may obtain the approval of its shareholders to the alteration of the objects clause of the MOA at the Annual General Meeting. The Board of Directors at their meeting held on 08 August 2020 had approved (subject to the approval of members) the amendment in the MOA of the Company as aforesaid.

In terms of Section 4 and Section 13 of the Companies Act, 2013, alteration of the Objects Clause of the MOA of the Company requires approval of the Shareholders of the Company by way of a Special Resolution.

Therefore, the Board of Directors of your Company recommends the passing of Special Resolution as set out at Item No. 09 of the Notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the passing of the above resolution as set out in Item No. 09 of the notice.

Inspection of Documents:

Copies of the amended MOA will be available for inspection in electronic form by shareholders of the Company 21 days before the Annual General Meeting and can be viewed on the Company's website at <https://www.zentechnologies.com/investor-information>.

Item No. 10: Alteration of the Liability Clause of the Memorandum of Association of the Company.

It is proposed to replace the 'liability clause' of the MOA of the Company by substituting the same with existing Clause IV to re-word the same appropriately and make it in line with the requirements of the Companies Act, 2013.

It is proposed to alter the existing Clause IV of the MOA of the Company by substituting with the following new clause:

"IV. The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them."

The Board of Directors had at their meeting held on 08 August 2020 had approved (subject to the approval of members) the amendment in the MOA of the Company as aforesaid.



In terms of Section 4 and 13 of the Act, the consent of the Members by way of a Special Resolution is required for change in liability clause of the MOA of the Company.

The Board recommends for approval by the members the resolution as set out at Item No. 10 of the Notice as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the passing of the above resolution as set out in Item No. 10 of the notice.

Inspection of Documents:

Copies of the amended MOA will be available for inspection in electronic form by shareholders of the Company 21 days before the Annual General Meeting and can be viewed on the Company's website at <https://www.zentechnologies.com/investor-information>.

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

Hansraj Singh Rajput
Company Secretary
M.No. A38213

Registered Office:

B-42, Industrial Estate
Sanathnagar, Hyderabad-500 018, Telangana, INDIA
CIN: L72200TG1993PLC015939
Phone: +91- 40 - 23813281, 23812894
Fax: +91- 40 – 23813694
Email id: info@zentechnologies.com
Website: www.zentechnologies.com

Place: Hyderabad

Date: 08 August 2020

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. Ajay Kumar Singh	Ms. Sirisha Chintapalli
Date of Birth	31 December 1965	04 August 1976	04 June 1980
Date of Appointment	01 October 2007	02 November 2019	08 August 2020
Relationship with Directors	Not related to any Director	Not related to any Director	Not related to any Director
Expertise in specific functional Area	<p>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.</p>	<p>A recipient of prestigious “The Rashtrapati Rovers Award” in the year 2000, Dr. Singh has joined Indian School of Business (ISB) in the year 2007 and at presently working in Centre for Executive Education at Indian School of Business-Hyderabad. His expertise lies in the area of social marketing. He applies his research in this area to address social entrepreneur, branding, advertising, customer relationship management and customer centricity. In his previous stint, He has worked with J P Associates (P) Ltd. Crompton Greaves Limited, SIVA Institute and Apeejay School of Marketing. He holds extensive years of experience across different functionalities, ranging from leadership role, with experience in program planning and design, implementation, teaching, monitoring and evaluation, business development to consulting. Dr. Singh has received Grant £4,000 for sponsorship study “Review of social marketing activity in India form 2000-2008” by Dr. Jeff French-Director, National Social Marketing Centre, London, UK. He has designed Mid-Career Training Programmes for The Ministry of External Affairs-Senior Indian Foreign Service Officer, the Ministry of Home -Senior IPS Officers, The Ministry of Finance-Senior IRS Custom & Excise Officers, the Ministry of Indian Railways (Senior Officers - IRAS, IRPS, IRTS, IRSE, IRSEE, IRSSE, IRSME, RPF and IRMS) to name a few.</p>	<p>She is having more than 11 years of good exposure and experience in the fields of legal, financial, secretarial, insolvency and other regulatory compliance matters particularly in relation to the Companies Act, laws applicable to the Capital Markets and other statutes. She has successfully handled and completed various issues / assignments / mergers and got well-versed with various statutes involved in the day-to-day operations of the Company.</p> <p>She was associated with L&T Shipbuilding Ltd., Chennai - Renowned Shipbuilding Company – engaged in construction of Defence Vehicles, Interceptor Boats, Offshore Patrol Vessels, Floating Dock; International Seaport Dredging Limited, Chennai, a joint venture dredging between Larsen & Toubro Ltd and Dredging International – DEME Group, Belgium and CCL Products (India) Ltd, Hyderabad - Instant Coffee manufacturing Company as a Company Secretary.</p>

Qualification	PG Diploma holder in Applied Computer Science, Bachelor's degree in Commerce.	He is a Post-Doctoral Fellow in Social Marketing from ISB, Hyderabad apart from Ph.D. and an MBA in marketing from Varanasi.	Ms. Sirisha is an Associate Member of the Institute of Company Secretaries of India and the Institute of Cost Accountants of India. She is a registered Insolvency Professional. Further, she is a semi qualified Chartered Accountant from the Institute of Chartered Accountants of India. She bagged all India 7th Rank and South India 1st Rank in the Company Secretary Final level exams.
@Board Membership of other companies	1. Version 2 Games Limited (under process of striking-off) 2. Zen SkillProc Private Limited 3. Zen Medical Technologies Private Limited.	Innexico Technology Private Limited.	1. Shilpa Medicare Limited 2. Brahmani Infratech Private Limited 3. Sai Silks (Kalamandir) Limited 4. Shilpa Biologicals Private Limited.
Chairman/ Member of the Committee of the Board of Directors	Member of Audit, Stakeholders Relationship & CSR Committees.	Member of Audit & Nomination and Remuneration Committees.	Nil.
Chairman/ Member of the committee of Directors of other companies in which he/she is a director.			
a) Audit Committee	Nil.	Nil.	Member - Sai Silks (Kalamandir) Limited Member – Shilpa Biologicals Private Limited.
b) Stakeholders' Relationship Committee	Nil.	Nil.	Nil.
c) Nomination and Remuneration Committee	Nil.	Nil.	Member – Shilpa Medicare Limited Member – Sai Silks (Kalamandir) Limited Member – Shilpa Biologicals Private Limited.
Number of shares held in the Company as on 31 March 2020	2,02,11,250 equity shares.	Nil.	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.