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**NOTICE**

Notice is hereby given that the 16<sup>th</sup> Annual General Meeting of the Shareholders of M/s Palred Technologies Limited will be held on 30.09.2015 at 9.00 A.M. at the Corporate Office of the Company at 2<sup>nd</sup> Floor, Uma Plaza, Nagarjuna Circle, Road No.1, Banjara Hills, Hyderabad, Telangana- 500034 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2015, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To consider and if thought fit, with or without modification(s), to pass the following resolution as an ordinary resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 including any Statutory re-enactment thereof for the time being in force, M/s Walker Chandiok & co LLP, Chartered Accountants (Firm Registration No. 001076N) be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the Conclusion of next Annual General Meeting, at such remuneration as may be fixed by the Board of Directors of the Company.

**“RESOLVED FURTHER THAT** Mr. Palem Srikanth Reddy, Managing Director of the Company be and is hereby authorized to do all such acts, deeds and things as may deem fit and necessary and file necessary forms with the concerned Registrar of Companies to give effect to the above resolution.”

**SPECIAL BUSINESS:****3. APPOINTMENT OF MRS.RICHA PATNAIK 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 section 149, 152 of the Companies Act, 2013 and rules made there under, Mrs. Richa Patnaik (DIN07274527), who was appointed ‘Additional Director’ in the Board of the Company on 31.08.2015 pursuant to the provision of Section 161 (1) of the Companies Act, 2013 (“the Act”) read with Articles of Association of the Company , and whose term of office expires at the ensuing Annual General Meeting of the Company, and in respect of whom the company has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Mrs. Richa Patnaik as a candidate for the office of a director of the company who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company , not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years up to 29<sup>th</sup> September, 2020.

**4. TO APPOINT MR. ATUL SHARMA 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 section 149, 152 of the Companies Act, 2013 and rules made there under, Mr. Atul Sharma (DIN- 07185499), who was appointed as an ‘Additional Director’ in the Board of the Company on 14.05.2015 pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 (“the Act”) read with Articles of Association of the Company , and whose term of office expires at the ensuing Annual General Meeting of the Company, and in respect of whom the company has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Atul Sharma as a candidate for the office of a director of the company who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years up to 29<sup>th</sup> September, 2020.

**5. TO APPOINT MR. S. VIJAYA SARADHI 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 section 149, 152 of the Companies Act, 2013 and rules made there under, Mr. S. Vijaya Saradhi (DIN- 03089889), who was appointed as an ‘Additional Director’ in the Board of the Company on 14.05.2015 pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 (“the Act”) read with Articles of Association of the Company, and whose term of office expires at the ensuing Annual General Meeting of the Company, and in respect of whom the company has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Mr. S. Vijaya Saradhi as a candidate for the office of a director of the company who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years up to 29<sup>th</sup> September, 2020.

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**6. TO FIX THE REMUNERATION OF MR. PALEM SRIKANTH REDDY, MANAGING DIRECTOR OF THE COMPANY.**

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

“RESOLVED THAT, in super cession of all the earlier resolutions passed by the shareholders and pursuant to the provisions of Section 197 read with Schedule V to the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and the Rules prescribed there under, the consent of the shareholders of the Company be and is hereby accorded to the Board to fix, alter or vary from time to time the remuneration payable to Shri. Palem Srikanth Reddy (DIN 00025889), Chairman & Managing Director of the Company and in such manner as it may deem fit including doubling the limits (without the approval of the Central Government) as prescribed under Schedule V of the Companies Act, 2013 including any Statutory modifications(s) in force or that may hereinafter be made thereto by the Central Government as may be agreed by the Board of Directors and Shri. Palem Srikanth Reddy (DIN 00025889).”

“RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Shri. Palem Srikanth Reddy (DIN 00025889) as Chairman & Managing Director, the remuneration, perquisites and other allowances, if any fixed by the Board of Directors shall be governed by the limits prescribed in Schedule V to the Act.”

**“RESOLVED FURTHER** that the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Palem Srikanth Reddy, Managing Director, including the monetary value thereof, to the extent recommended by the nomination and remuneration committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution in terms of Schedule V of the Companies Act, 2013.

“RESOLVED FURTHER that the Board of Directors of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

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**7. TO CONSOLIDATE TWO EQUITY SHARES OF Rs. 5/- EACH INTO ONE EQUITY SHARE OF RS. 10/- EACH.**

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

“RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s), amendment or re-enactment thereof for the time being in force), and subject to the adoption by the shareholders of the Company of the new Articles of Association which empowers the Company for consolidation of shares and subject to the approvals, consents, permissions and sanctions, if any, required from any authority and subject to such conditions as may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board”), consent of the Members be and is hereby accorded to consolidate two Equity Shares of the Company having Face value of Rs. 5/- each (Rupees Five only) into 1 (One) Equity Share of Face value of Rs. 10/- (Rupees Ten only) each fully paid-up and consequently, the Authorized Share Capital of the Company comprising of 560,77,600 (Five Crore Sixty Lakhs Seventy seven Thousand Six Hundred) equity shares of Rs.5/- each shall be consolidated to 2,80,38,800 (Two Crores Eight Lakhs Thirty Eight Thousand Eight Hundred) equity shares of Rs. 10/- each (Ten) amounting to Rs.28,03,88,000/- (Rupees Twenty Eight crores Three Lakhs Eighty eight Thousand only) with effect from the “Record Date” to be determined by the Board for this purpose.

**“FURTHER RESOLVED THAT** pursuant to the Consolidation of the Equity Shares of the Company, Two Equity Shares of the Face value of Rs.5/- each (Rupees five only)each as existing on the Record Date shall stand consolidated into 1 (One) Equity Share of the Face value of Rs. 10/- each (Rupees Ten only) each fully paid-up, with effect from the Record Date.

**“FURTHER RESOLVED THAT** on consolidation, 1 (One) Equity Share of the Face value of Rs. 10/- each (Rupees Ten only) each be issued in lieu of Two Equity Shares of Rs. 5/-each (Rupees Five only) , subject to the terms of Memorandum and Articles of Association of the Company and shall rank paripassu in all respects and carry the same rights as the existing fully paid Equity Shares of Rs. 10/- (Rupees Ten only) each of the Company and shall be entitled to dividend(s) to be declared after the consolidation of equity shares.

**“FURTHER RESOLVED THAT** upon consolidation of Equity Shares of the Company as aforesaid, the existing share certificate(s) in relation to the existing Equity Shares of Face value of Rs. 5/- (Rupees five only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and that no letter of allotment shall be issued to the allottees of the new Equity Shares of Rs. 10/- (Rupee Ten only) each on consolidation and the Company may, without requiring the surrender of existing share certificate(s), directly issue and dispatch the new share certificate(s) of the Company, in lieu of such existing share certificate(s),within the period prescribed or that may be prescribed in this behalf, from time to time and in the case of shares held in dematerialized form, the number of consolidated Equity Shares be credited to the respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of the existing credits representing the Equity Shares before consolidation.

**“FURTHER RESOLVED THAT** the Board be and is hereby authorized to fix a Record Date and to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, proper and expedient or incidental for the purpose of giving effect to this resolution.”

#### 8. AMENDMENT TO CLAUSE V 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 contained in Section 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s), amendment or re-enactment thereof for the time being in force), and subject to the approvals, consents, permissions and sanctions, if any, required from any authority, consent of the Members be and is hereby accorded to amend the existing Clause V of the Memorandum of Association of the Company by deletion of the existing Clause V and by substitution thereof by the following clause:

“V. The Authorized Share Capital of the Company is Rs. 28,03,88,000/- (Rupees Twenty Eight Crores Thirty Eight Lakhs Eight Thousand only) divided into 5,60,77,600 (Five crores Sixty Lakhs Seventy seven Thousand Six Hundred) Equity Shares of Rs. 5/- (Rupee Five only) each and Rs. 6,96,12,000 (Rupees Six Crores Ninety Six Lakhs Twelve Thousand only) divided in to 6,96,120 (Six Lakhs Ninety Six Thousand One Hundred and Twenty) preference shares of Rs.100/- each with power to increase and reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges, conditions or restrictions, as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being permitted by the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf.”

“FURTHER RESOLVED THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and/or otherwise considered by them in the best interest of the Company.”

#### 9. AMENDMENT OF ARTICLES 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 provisions of Section 5 read with Section 14 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the new draft Articles as contained in the Articles of Association submitted be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

For and on behalf of the Board  
Palred Technologies Limited

Place: Hyderabad  
Date: 31.08.2015

PalemSrikanth Reddy  
Managing Director  
(DIN: 00025889)

**NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Corporate Office of the Company by not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 26.09.2015 to 30.09.2015(Both days inclusive).
4. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
6. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
8. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. Karvy Computershare Private Limited.)
9. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
10. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to M/s. Karvy Computershare Private Limited., Share Transfer Agents of the Company for their doing the needful.
11. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
12. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission /transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
13. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
14. Electronic copy of the Annual Report for 2014-2015 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-2015 is being sent in the permitted mode.
15. Members may also note that the Notice of the 16<sup>th</sup> Annual General Meeting and the Annual Report for 2014-2015 will also be available on the Company's website [www.palred.com](http://www.palred.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making

a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: company@palred.com.

#### 16. Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Wednesday, 23<sup>rd</sup> September, 2015, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. The remote e-voting period will commence at 9.00 a.m. on Sunday, 27th September 2015 and will end at 5.00 p.m. on Tuesday, 29th September, 2015. The facility for voting through electronic voting system ('Insta Poll') shall be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through 'Insta Poll'. The Company has appointed Mr. S. Sarveswar Reddy, Practising Company Secretary, to act as the Scrutinizer, to scrutinize the Insta Poll and remote e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting refer to the detailed procedure given hereinafter.

#### Procedure for remote e-voting

I. The Company has engaged the services of Karyv Computershare Private Limited (Karyv) for facilitating remote e-voting for AGM. The instructions for remote e-voting are as under:

- (a) In case of Members receiving an e-mail from Karyv:
  - (i) Launch an internet browser and open <https://evoting.karyv.com>
  - (ii) Enter the login credentials (i.e. User ID and password). The Event No. Folio No. or DP ID- Client ID will be your User ID. However, if you are already registered with Karyv for e-voting, you can use your existing User ID and password for casting your vote.
  - (iii) After entering the above details click on - Login.
  - (iv) Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.) The system will also prompt you to 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. You need to login again with the new credentials.
  - (v) On successful login, the system will prompt you to select the E-Voting Event
  - (vi) Select the EVENT of Palred Technologies Limited and click on - Submit .
  - (vii) Now you are ready for e-voting as 'Cast Vote' page opens.
  - (viii) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.
  - (ix) Upon confirmation, the message 'Vote cast successfully' will be displayed.
  - (x) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xi) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at [scrutinizer@snaco.net](mailto:scrutinizer@snaco.net). They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_EVENT NO."
- (b) In case of Shareholders receiving physical copy of the Notice of AGM and Attendance Slip
  - (I) INITIAL PASSWORD IS PROVIDED, AS FOLLOWS, AT THE BOTTOM OF THE ATTENDANCE SLIP.

EVEN (E-Voting Event Number)	USER ID	PASSWORD
-	-	-

- (ii) Please follow all steps from Sr. No. (i) to Sr. No. (xi) above, to cast vote.

- II. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of Karvy's e-voting website <https://evoting.karvy.com>.
- III. If you are already registered with Karvy for e-voting then you can use your existing User ID and Password for casting vote.
- IV. The voting rights shall be as per the number of equity share held by the Member(s) as on Friday, 25<sup>th</sup> September, 2015. Members are eligible to cast vote electronically only if they are holding shares as on that date.
- V. The Companies (Management and Administration) Amendment Rules, 2015 provides that the electronic voting period shall close at 5.00 p.m. on the date preceding the date of AGM. Accordingly, the voting period shall commence at 9.00 a.m. on Sunday, 27th September, 2015 and will end at 5.00 p.m. on, 29th September, 2015. The e-voting module shall be disabled by Karvy at 5.00 p.m. on the same day.
- VI. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
- VII. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
- VIII. Members who have acquired shares after the despatch of the Annual Report and before the book closure may obtain the user ID approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.
  - a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD <space> Event number+Folio No. or DP ID Client ID to 9212993399  
Example for NSDL : MYEPWD <SPACE> IN12345612345678  
Example for CDSL : MYEPWD <SPACE> 1402345612345678  
Example for Physical : MYEPWD <SPACE> XXX1234567
  - b. If e-mail or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - c. Member may call Karvy's toll free number 1-800-3454-001
  - d. Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com)
- VI. The results shall be declared on or after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 16th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by M/s Karvy Computershare Private Limited
- 21. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 25.09.2015.
- 22. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
- 23. Relevant documents referred to in the accompanying Notice, as well as Annual Reports and Annual Accounts of the Subsidiaries Companies whose Annual Accounts have been consolidated with the Company are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 10.00 A.M. to 5.00 P.M. up to the date of Annual General Meeting.
- 24. Mr.S.Sarveswar Reddy, Practicing Company Secretary, bearing C.P. Number 7478 has been appointed as the Scrutinizer to scrutinize the e-voting process.
- 25. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

26. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.palred.com](http://www.palred.com) and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and National Stock Exchange of India (NSE)..

**For and on behalf of the Board  
Palred Technologies Limited**

**Place: Hyderabad**  
**Date: 31.08.2015**

**PalemSrikanth Reddy**  
**Managing Director**  
**(DIN: 00025889)**

#### **EXPLANATORY STATEMENT**

**[Pursuant to Section 102 of the Companies Act, 2013]**

**Item No. 3,4 & 5:**

Mr. Atul Sharma and Mr. S.Vijaya Saradhi were appointed as Additional Directors on 14.05.2015 and Mrs. Richa Patnaik on 31.08.2015 in terms of Section 161 (1) of the Companies Act, 2013, in the category of 'Non-Executive Independent'. In terms of the aforesaid section of the Companies Act, 2013, an Additional Director shall hold office upto the date of the ensuing Annual General Meeting and be eligible for appointment to the office of a director at any General Meeting in terms of Section 160 of the Companies Act, 2013. The Company has received a notice from members under section 160 of the Companies Act 2013, along with requisite deposit proposing the candidature of Mr. Atul Sharma, Mr.S.Vijaya Saradhi and Mrs.Richa Patnaik for the office of directors under the category of Independent Director.

In order to ensure compliance with the provisions of Sections 149 and 152 of the Companies Act, 2013 read with Rules made thereunder and Schedule IV of the Act, it is proposed that approval of the shareholders be accorded for the appointment of Mr. Atul Sharma, Mr.S.VijayaSaradhi and Mrs. Richa Patnaik as 'Independent Directors' for a term upto 29.09.2020, and pass the resolutions as set out at Item Nos. 3, 4 and 5. The appointment of Mr. Atul Sharma, Mr. S.Vijaya Saradhi and Mrs. Richa Patnaik is required to be in compliance with the provisions of Section 160 of the Companies Act, 2013.

Mr. Atul Sharma, Mr. S.Vijaya Saradhi and Mrs. Richa Patnaik have confirmed compliance with the criteria of Independence as provided under Section 149 (6) of the Act. The Board is of the opinion that their continued association with the Company would be of benefit to the Company. Further, in the opinion of the Board Mr. Atul Sharma, Mr. S.Vijaya Saradhi and Mrs. Richa Patnaik fulfil the conditions specified in the Companies Act, 2013 and the Rules made thereunder, and they are independent of the Management.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Director, Mr. Atul Sharma, Mr. S.Vijaya Saradhi and Mrs. Richa Patnaik are concerned or interested, financially or otherwise, in this Resolution. The Board recommends the Ordinary Resolution as set out at item no. 3, 4 and 5 for approval of the Members.

**ITEM NO. 6:**

Having regard to the knowledge, experience of Mr. Palem Srikanth Reddy (DIN No. 00025889) and the responsibilities shouldered on him, considering the recommendations of Nomination & Remuneration committee, the Board accorded its approval, subject to the approval of shareholders of the Company by way of special resolution, vary the scope of remuneration of Mr. Palem Srikanth Reddy, Managing Director, including the monetary value thereof, to the extent recommended by the nomination and remuneration committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution in terms of Schedule V of the Companies Act, 2013.

It is therefore, proposed that the remuneration to Mr.PalemSrikanth Reddy (DIN No. 00025889)as prescribed under Section 197 read with Schedule V to the Companies Act, 2013, be approved by the shareholders of the company at the forthcoming Annual General Meeting, in modification to the earlier resolutions passed by the shareholders of the Company in this regard.

## Information in accordance with Schedule V of Companies Act, 2013

## I. GENERAL INFORMATION

1	Nature of Industry	: Software Development (IT and IT enabled services)					
2	Date or expected date of commencement of commercial	: 24 <sup>th</sup> December, 1999					
3	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: <b>Not Applicable</b>						
4	<b>Financial performance based on given indications</b>						
	(A). Net Profit or loss under section 198 of the Companies Act, 2013 on standalone basis						
	Particulars	01.04.2014 to 31.03.2015 (Amt in Rs)	01.04.2013 to 31.03.2014 (Amt in Rs)	01.04.2012 to 31.03.2013 (Amt in Rs)			
	Turnover	837,96,323	2283,39,006	341,682,859			
	Net profit as computed under Section 198	289,29,173	12746,06,895	(89,67,141)			
	Net profit / loss as per profit and loss account	259,29,173	12716,06,895	(124,16,389)			

## II. INFORMATION ABOUT THE APPOINTEE:

1.	<b>Background Details:</b> Sri Palem Srikanth Reddy, aged 49 years, is an Industrial Engineering Graduate from REC, Trichy, India and a Post Graduate in Industrial Engineering from Stanford university, USA. And is associated with the company since its inception.		
2.	<b>Past Remuneration:</b>		Total Remuneration (in Rs.)
	2014-15		30,00,000/-
	2013-14		30,00,000/-
	2012-13		29,46,000/-
3.	Recognition or awards : <b>Not Applicable</b>		
4.	<b>Job Profile and his suitability:</b> Srikanth is the Chairman & Managing Director of Palred Technologies Limited. Through his leadership and vision, he has applied his supply chain execution experience to the innovative development of the prime products of 4S, which has become the first ever enterprise operating platforms for the logistics and supply chain management industries on the Internet. His career profile began as an executive in various supply chain execution operations such as: JV Partner & Emery Worldwide (Managing Director), India and Asia Pacific Logistics/Distribution operations at Hewlett Packard (Manager), Singapore. The contribution and technical know-how provided by him has been explored up to the optimum level by the Company in all aspects		
5.	<b>Remuneration proposed</b> As set out in the resolutions annexed the remuneration to Sri P.Srikanth Reddy, Managing Director has the approval of the remuneration Committee		
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 Sri Palem Srikanth Reddy and the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.		
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if anyBesides, the remuneration proposed, he is holding 29,01,508 Equity Shares of the Company.		

## III. OTHER INFORMATION:

1.	<b>Reasons for inadequate profits or negative effective capital:</b> After the sale of business in Oct 2013, the Company restructured its Capital and also invested in other Companies. Since the existing business got sold, the Company is still exploring various options in the fields of IT Solutions, IT Solutions for Media and Entertainment Industry.
2.	<b>Steps taken or proposed to be taken for improvement:</b> The Company is taking initiatives to venture into new fields. It has already invested in Online eCommerce which is booming sector currently in India.

**ITEM NO. 7 & 8:**

The Board of Directors of the Company wish to consolidate the Equity Shares of the Company by which the face value of each share would be Rs. 10/-. As per Section 61(1)(b) of the Companies Act, 2013, shares of the company can be consolidated on passing of a resolution at the General Meeting of the Company. Therefore, the proposed resolution is recommended to the shareholders of the company for their consideration and approval.

The shareholders may please note that presently the nominal value of the equity shares is Rs.5/- each and consequent to the consolidation, the shareholder holding two equity shares of Rs.5/- each will be allotted one share of Rs.10/- each. Shareholders attention is also invited to the fact that in view of the foregoing consolidation, the existing Capital Clause V in the Memorandum of Association and as per the new articles of association of the Company if adopted, relating to equity shares also need relevant amendment to give effect to the consolidation.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in this Resolution.

The Board recommends the Ordinary Resolution as set out at item no. 7 & 8 for approval of the Members.

**ITEM NO. 9:**

The Articles of Association of the Company (“Articles”) as currently in force was adopted pursuant to the provisions under the Companies Act, 1956. The Companies Act, 1956 has been superseded by the Companies Act, 2013. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association is hence to be amended to align the extant Articles with the provisions of the Companies Act, 2013 and rules thereunder.

Salient aspects of the proposed amended Articles:

Under the proposed amended Articles, salient aspects of sections of Table-F of Schedule I to the Companies Act, 2013 which sets out the model Articles of Association for a Company limited by shares have been adopted. As mentioned in the previous para, changes that are required to be carried out pursuant to the Companies Act, 2013 and rules thereunder coming into force have been duly carried out. A copy of the amended proposed Articles is enclosed to this Notice for consideration / approval of the Members.

The resolution as set out in item no. 9 has been recommended by the Board of Directors for approval of the Members by special resolution.

The proposed new draft of Articles of Association is also available for inspection by the Members at the Registered Office of the Company on any working day excluding public holidays and Sunday from the date here upto 30<sup>th</sup> September, 2015.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way are concerned or interested, financially or otherwise, in the Special Resolution set out at item No. 9 of the Notice.

**For and on behalf of the Board  
Palred Technologies Limited**

**Place: Hyderabad**

**Date: 31.08.2015**

**SrikanthPalem Reddy  
Managing Director  
(DIN: 00025889)**

## Form No. MGT-11

**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L72200AP1999PLC033131  
Name of the company : Palred Technologies Limited  
Registered office : H.No. 8-2-703/2/B, Plot.No.2, Road.No.12, Banjara Hills, Hyderabad, Andhra Pradesh, 500034

Name of the member(s):	
Registered Address:	
E-mail Id:	
Folio No./Client Id:	
DP ID:	

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name : .....	2. Name : .....	3. Name : .....
Address : .....	Address : .....	Address : .....
E-mail Id : .....	E-mail Id : .....	E-mail Id : .....
Signature: ....., or failing him	Signature: ....., or failing him	Signature: ....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 16<sup>th</sup> Annual General Meeting of the Company, to be held on **30.09.2015 at 9 am** 2<sup>nd</sup> Floor, Uma Plaza, Nagarjuna Circle, Road No.1, Banjara Hills, Hyderabad, Telangana- 500034 and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.**

1. Approval of financial statements for the year ended 31.03.2015.
2. Appointment of statutory auditors and fixation of their remuneration.
3. Appointment of Mrs.RichaPatnaikas an Independent Director.
4. Appointment of Mr.AtulSharmaas an Independent Director.
5. Appointment of Mrs. S. VijayaSaradhias an Independent Director
6. To fix the Remuneration of Mr. PalemSrikanthReddy, Managing Director of the company
7. To consolidate the Equity Shares from Rs. 5/- to Rs. 10/- Per Share.
8. Amendment to Clause V of the Memorandum of the Association of the Company
9. Adoption of new articles as per Table F of the Companies Act, 2013.

Signed this ..... day of..... 2015

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

**PALRED TECHNOLOGIES LIMITED**

H.No.8-2-703/2/B, PLOT NO.2, ROAD NO.12,  
BANJARA HILLS, HYDERABAD  
TELANGANA- 500034

**ATTENDANCE SLIP**

(Please present this slip at the Meeting venue)

I hereby record my presence at the 16<sup>th</sup> Annual General Meeting of the members of the company to be held on 30.09.2015 at 9 am  
**2<sup>nd</sup> Floor, Uma Plaza, Nagarjuna Circle, Road No.1, Banjara Hills, Hyderabad, Telangana- 500034** and at any adjourned meeting thereof.

Shareholders/Proxy's Signature\_\_\_\_\_

Shareholders/Proxy's full name\_\_\_\_\_  
(In block letters)

Folio No./ Client ID\_\_\_\_\_

No. of shares held\_\_\_\_\_

**Note:**

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.