

NOTICE

16th Annual General Meeting
Friday the 19th September 2014

CIGNITI TECHNOLOGIES LIMITED

Suit No. 106 & 107, 6-3-456/C, MGR Estates, Dwarakapuri Colony, Punjagutta, Hyderabad – 500 082. Telangana State
Tel: (040) 4038 2255, Fax: (040) 3070 2299, Website: www.cigniti.com Email: info@cigniti.com

NOTICE

NOTICE is hereby given that the Sixteenth Annual General Meeting of the Members of the Company will be held on **Friday the 19th September 2014** at 11.00 am at "The V (Ascendas Auditorium", Plot No# 17, Software Units Layout, Madhapur, Hyderabad-500 081 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2014 including audited Balance Sheet as at 31 March, 2014 and the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ("the Board") and Auditors thereon.
2. To appoint a Director in place of Mr. C Srikanth, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. C Sudhakar, who retires by rotation.
4. To appoint M/s. P. Murali & Co., Chartered Accountants, Hyderabad as Statutory Auditors of the Company for a term of three years up to the conclusion of 19th Annual General Meeting to be held in the year 2017 subject to ratification at every Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

5. 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, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, **Mr. K. Ch. Subba Rao** (DIN - **01685123**), a non-executive independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 01.04.2014 up to 31.03.2019."

6. 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, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, **Mr. Mani Subramanian** (DIN - **00608214**), a non-executive independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 01.04.2014 up to 31.03.2019."

7. 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, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, **Mr. K. Nageswara Rao** (DIN - **02754936**), a non-executive independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 01.04.2014 up to 31.03.2019."

8. 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 Section 14 of the Companies Act, 2013, the Articles of Association of the Company be and is hereby altered in the following manner:

- a) In definition clause of Article 2 the following definition be inserted:

2(q) 'Electronic mode' means carrying out electronically-based, transactions whether main server is installed in India or not, including, but not limited to:

- i. business to business and business-to-consumer transactions, data interchange and other digital supply transactions;
- ii. offering to accept deposits or inviting deposits or accepting deposits or subscriptions in securities, in India or from citizens of India;
- iii. financial statements, web-based marketing, advisory and transactional services, database services and products, supply chain management;
- iv. online services such as telemarketing, telecommuting, education and information research; and all related data communication services;
- v. facsimile telecommunication when directed to the facsimile number or electronic mail directed to electronic mail addresses, using any electronic communication mechanism that the message so sent, received or forwarded is storable and retrievable;
- vi. posting of an electronic message board or network that the company or the officer has designated for such communications, and which transmission shall be validly delivered upon the posting; or
- vii. other means of electronic communication, in respect of which the Company or the officer has put in place reasonable systems to verify that the sender is the person purporting to send the transmission; and
- viii. video conferencing, audio-visual mode, net conferencing and/or any other electronic communication facility.

- b) A new Article 56A is being inserted after Article 56 which is as under:

“56A. Maintenance of registers and records in electronic mode

Notwithstanding anything contained in these Articles, Registers, Index, Agreement, Memorandum, Minutes, Books of Accounts or any other documents required to be kept by the Company under the Companies Act, 2013 may be kept in electronic form in such form and manner as may be prescribed under Section 120 of the Companies Act, 2013 and rules made thereunder.”

- c) A new Article 93A is being inserted under Article 93 which is as under:

“93A Voting by members through electronic mode

A member may exercise his vote at a General Meeting or Postal Ballot by electronic mode in accordance with Section 108 of the Companies Act, 2013 and rules made thereunder and shall be eligible to vote only once for a single resolution.”

- d) A new article 118A is being inserted after Article 118 which is as under:

“118A. Participation in Meeting of the Board by Directors through electronic mode

Notwithstanding anything contained herein, the Director(s) may participate in the meeting(s) of the Board or any committee thereof through electronic mode by video conferencing or other audio visual modes as may be prescribed, and the Director(s) so participating shall be deemed to be present at the meeting for the purposes of quorum, voting, recording of minutes and all other relevant provisions in this regard by following procedure specified under applicable laws for the time being in force and rules, regulations, circulars, notifications, guidelines etc. issued/to be issued from time to time by competent/statutory authority(ies).”

- e) Amendment of Article.120 (1) – Chairman

After conclusion of the existing text in Article 120(1), the following words shall be inserted

“An individual shall be appointed or re-appointed as Chairperson of the Company as well as the Managing Director or Chief Executive officer of the Company at the same time or vice versa regardless of the Company whether operates in multiple segments of business or not.”

- f) A new Clause 174(4) is being inserted under Article 174 which is as under:

“174(4). Service of documents through electronic mode

Notwithstanding anything contained in these Articles and as per Sections 20 & 134 of the Companies Act, 2013 read with rules made thereunder, a Company may serve copies of the Balance sheet, Statement of Profit and loss, Auditors’ Report, Directors’ Report, Notice of the General Meeting along with explanatory statements etc. and any other documents to the members through electronic mode, by following conditions laid down under the relevant Rules.”

- g) A new Article 188 is being inserted after Article 187 which is as under:

188. “General Clause – Overriding effect of Companies Act, 2013”

The intention of these Articles is to be in consonance with the contemporary Act, Rules and Regulations prevailing in India. If there is an amendment in any Act, Rules and Regulations allowing what was not previously allowed under the Statute, the Articles herein shall be deemed to have been amended to the extent that Articles will not be capable of restricting what has been allowed by the Act by virtue of an amendment subsequent to registration of the Articles. In case of any of the provisions contained in these Articles is inconsistent or contrary to the provisions of the Companies Act, 2013 and rules made thereunder, the provisions of Companies Act,

2013 and rules made thereunder shall override the provisions of these existing Articles and these Articles shall be deemed to have been amended to include such provisions of the Companies Act, 2013. All references to sections of Companies Act, 1956 shall be deemed to include the corresponding sections/provisions of the Companies Act, 2013 if any.”

9. Issue of Equity Shares on Preferential Basis to the Promoters and the Others:

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

“RESOLVED THAT in terms of Sections 42 and 62(1)(c) of the Companies Act, 2013 and all other applicable provisions, if any, (including any statutory modification(s) or re-enactments thereof for the time being in force), Memorandum and Articles of Association of the Company, Listing Agreement entered into by the Company with BSE Limited, Stock Exchanges - Bangalore and Madras where the Company’s shares are listed and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulation 2009, as may be applicable to the preferential issue of Equity shares and other applicable regulations of SEBI, if any and subject to such conditions and modifications as may be considered appropriate by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall include any committee thereof for the time being to which all or any of the powers hereby conferred on the Board by this resolution, have been delegated) and subject to such, consents and approvals of SEBI, Stock Exchanges, Government of India, or such other bodies or authorities as may be required by law and as may be necessary and subject to such conditions and modifications as may be imposed upon and accepted by the Board while granting such consents and approvals and which may be agreed to by or any other authorities as may be necessary for that purpose, the consent of the members of the company be and is hereby accorded to the Board to offer, issue, and allot in one or more tranches up to 43,25,000 Equity shares of Rs.10/- each to the promoters and the others (whose names shall be recorded by the company in the manner set out in Sec

42(7) of the Companies Act, 2013 read with the respective Rules) in such manner and on such price, terms and conditions as may be determined by the Board in accordance with the Securities & Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations 2009 (including any amendments thereto or re-enactment thereof) or other provisions of Law as may be prevailing at the time, provided that the price (inclusive of premium) of the equity shares so issued shall not be less than the minimum price to be arrived or Arrived at in accordance with the provisions of Chapter VII of the SEBI (ICDR) Regulations."

"RESOLVED FURTHER THAT the pricing of the Equity Shares to be allotted will be in accordance with the SEBI (ICDR) Regulations with reference to the 'Relevant Date.' The "relevant date" for the purpose of pricing of equity shares is 20.08.2014 i.e., thirty days prior to the date on which this General meeting is held in terms of section 42 and section 62 1(c) of the Companies Act,2013"(AGM to be held on 19.09.2014).

"RESOLVED THAT the new equity shares issued shall rank pari-passu with the existing Equity Shares of the Company in all respects and that the equity shares so allotted during the financial year shall be entitled to the dividend, if any, declared including other corporate benefits, if any, for which the book closure or the Record Date falls subsequent to the allotment of Equity Shares."

"RESOLVED FURTHER THAT the aforesaid equity shares allotted in terms of this resolution shall be subject to lock-in requirements as per the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009 and any amendment thereto from time to time."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to modify and decide the price, terms and conditions of the Issue of equity shares, if necessary, keeping in view the provisions of various Acts and Guidelines in force from time to time."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to agree and accept all such condition(s), modification(s) and alteration(s) as may be stipulated by any relevant authorities while according approval or consent to the issue

as may be considered necessary, proper or expedient and give effect to such modification(s) and to resolve and settle all questions, difficulties or doubts that may arise in this regard to implementation of this Resolution, issue and allotment of equity shares and to do all acts, deeds and things in connection therewith and incidental thereto without being required to seek any further consent or approval of the members of the Company to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Company does apply for listing of the new equity shares and does make an application to the Depositories for admission of the new equity shares."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any other officer or officers of the Company to give effect to the aforesaid resolutions."

10 . EMPLOYEE STOCK OPTION SCHEME – 2014:

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

"RESOLVED THAT in accordance with the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made there under and the Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the Guidelines") or any statutory modification(s) or re-enactment of the Act or the Guidelines, the provisions of any other applicable laws and regulations and Listing Agreement entered into by the Company with the Stock Exchanges where the securities of the Company are listed and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s) and which may be agreed to and accepted by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include Nomination and Remuneration / Compensation Committee of the Board) approval of the members be and

is hereby accorded to the Board/Committee of Directors to grant, offer and issue, in one or more tranches, to such permanent employees (including joining employees) of the Company whether working in India or out of India and Directors of the company whether whole-time Directors or otherwise (hereinafter collectively referred as the "Employees") who are eligible to participate as per the Guidelines and as may be decided by the Board/Committee, under a plan titled "**CTL- ESOP Scheme 2014**" (hereinafter referred to as "the Scheme") the salient features of which are detailed in the explanatory statement, such number of options which could rise to the issue of equity shares of the Company not exceeding 5,00,000 equity shares at such price and on such terms and conditions as may be determined by the Board/Committee in accordance with the ESOP Guidelines or any other applicable provisions as may be prevailing at that time."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to formulate, evolve, decide upon and bring into effect the Scheme on such terms and conditions as contained in the Explanatory Statement to this item in the notice and to make any modification(s), change(s), variation(s), alternation(s) or revision(s) in the terms and conditions of Scheme from time to time including but not limited to, amendment(s) with respect to vesting period and schedule, exercise price, exercise period, eligibility criteria or to suspend, withdraw, terminate or revise the Plan."

"RESOLVED FURTHER THAT any new equity shares to be issued and allotted as aforesaid shall Rank pari-passu inter se with the then existing equity shares of the Company in all respects."

"RESOLVED FURTHER THAT in case Cigniti Technologies Limited's equity share capital or its valuation is affected due to any corporate action like issue of bonus shares/rights issue, stock split, merger, restructuring or any such event happening subsequent to the grant of option, the Board / Compensation Committee shall have the discretion to make appropriate amendments to the scheme, including changes in the number of options, the Exercise Price or floating a new Scheme / extending the applications of the existing scheme or any other fair and just mechanism including acceleration of Option, if deemed necessary, in accordance with Law, as deems fit, while striving to ensure that the rights of the employees are not adversely affected".

“RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the equity shares allotted under the Scheme on the Stock Exchanges where the shares of the Company are listed as per the provisions of the Listing Agreement with the Stock Exchange concerned, the Guidelines and other applicable laws and regulations.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board/ Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities without requiring the Board to secure any further consent or approval of the shareholders of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

11. GRANT OF OPTIONS TO THE EMPLOYEES OF SUBSIDIARY AND STEP DOWN SUBSIDIARY COMPANY UNDER EMPLOYEE STOCK OPTIONS SCHEME – 2014:

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

“RESOLVED THAT in accordance with the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made there under and the Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“the Guidelines”) or any statutory modification(s) or re-enactment of the Act or the Guidelines, the provisions of any other applicable laws and regulations and Listing Agreements entered into by the Company with the Stock Exchanges where the securities of the Company are listed and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s) and which may be agreed to and accepted by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall include Compensation Committee of the Board)

approval of the members be and is hereby accorded to the Board/Committee of Directors to extend the benefits of the “**CTL- ESOP Scheme 2014**” referred to in the resolution under item No.10 in this Notice and duly passed at this meeting, also to such permanent employees (including joining employees) of the subsidiary companies including step down subsidiary companies whether working in India or out of India and Directors of the company whether whole-time Directors or otherwise, as may be decided by the Board and / or Committee or such other persons, as may from time to time, be allowed under prevailing laws and regulations on such terms and conditions as may be decided by the Board”.

“RESOLVED FURTHER THAT in case Cigniti Technologies Limited’s equity share capital or its valuation is affected due to any corporate action like issue of bonus shares/rights issue, stock split, merger, restructuring or any such event happening subsequent to the Grant of option, the Board / Compensation Committee shall have the discretion to make appropriate amendments to the scheme, including changes in the number of options, the Exercise Price or floating a new Scheme / extending the applications of the existing scheme or any other fair and just mechanism including acceleration of Option, if deemed necessary, in accordance with Law, as deems fit, while striving to ensure that the rights of the employees are not adversely affected”.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board/ Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

12. ALLOTMENT OF EQUITY SHARES EXCEEDING 1% OF THE PAID UP CAPITAL OF THE COMPANY UNDER ESOP SCHEME – 2014:

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

“RESOLVED THAT in accordance with the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made there under and the Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“the Guidelines”) or any statutory modification(s) or re-enactment of the Act or the Guidelines, the provisions of any other applicable laws and regulations and Listing Agreements entered into by the Company with the Stock Exchanges where the securities of the Company are listed and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s) and which may be agreed to and accepted by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall include Compensation Committee of the Board) approval of the members be and is hereby accorded to the Board/Committee of Directors to grant, offer and issue of options or equity shares equal to or exceeding 1% of the paid up capital including outstanding warrants and conversions) of the Company, in one or more tranches, the benefits of the Employees Stock Option Scheme-2014 referred to in the Resolutions under item nos. 10 and 11 in this notice and duly passed at this meeting, to such key permanent employees (including joining employees) of the Company as may be identified by the Compensation Committee for their outstanding performance / contribution at the time of grant of options whether working in India or out of India and Directors of the company whether whole-time Directors or otherwise (hereinafter collectively as the “Employees”) who are eligible to participate as per SEBI (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, Options exercisable by the Employees under a plan titled “**CTL- ESOP Scheme 2014**”, as may from time to time, be allowed under prevailing laws and regulations on such terms and conditions as may be decided by the Board (hereinafter referred to as “the scheme”) the salient features of which are detailed in the explanatory statement.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board/Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient

or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

13. Remuneration of Shri. C.V.Subramanyam (DIN NO. 00071378) and redesignating him as Chairman & Managing Director of the company:

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

“RESOLVED THAT, in modification of the Resolution No.6 passed by the shareholders at the Annual general meeting held on July 12, 2012 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 redesignate Shri. C.V.Subramanyam (DIN No. 00071378) as Chairman & Managing Director and to fix, alter or vary from time to time the remuneration payable to Shri. C.V.Subramanyam (DIN No. 00071378) 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. C.V.Subramanyam (DIN No. 00071378).”

“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. C.V.Subramanyam (DIN No. 00071378) 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.”

14. Remuneration of Shri. C.Srikanth (DIN NO. 06441390), Whole-time Director of the company:

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

“RESOLVED THAT, in modification of the Resolution No.5 & 6 passed by the shareholders at the Annual general meeting held on September 16, 2013 for appointment & payment of remuneration to Shri. C.Srikanth (DIN No. 06441390) 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. C.Srikanth (DIN No. 06441390) Whole-time Director 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. C. Srikanth (DIN No. 06441390).”

“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. C.Srikanth (DIN No. 06441390) as Whole-time 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.”

On behalf of the Board

Cigniti Technologies Limited

C.V. Subramanyam
Managing Director

Place : Hyderabad
Date : 14.08.2014

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. 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 members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 17th September, 2014 to 19th September, 2014 (both days inclusive).
4. As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of up to five consecutive years and are not liable to retire by rotation. Accordingly, resolutions proposing appointment of Independent Directors are given at item nos. 5 to 7.
5. The relevant details of Directors seeking appointment / re-appointment under item no. 5, 6 and 7 of this Notice are provided in the Annual Report.
6. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members

who have not registered their e-mail address with the Company can now register the same by submitting a duly filled in 'E-Communication Registration Form' available on the website of the Company www.cigniti.com to M/s. Aarthi Consultants Private Limited / Investor Service Department of the Company. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

7. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
8. 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 16.09.2014, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the despatch of the Annual Report and before the book closure may vote physically in the Annual General Meeting and approach the Company for copy of Annual Report. The e-voting period will commence at 9.00 a.m. on 13.09.2014 and will end at 6.00 p.m on 15.09.2014. The Company has appointed Mr. Vivek Surana, Practising Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

PROCEDURE FOR E-VOTING:

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - (i) For CDSL: 16 digits beneficiary ID,
 - (ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (iii) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (Available on the Address label pasted in the cover and/or in the e-mail sent to the members) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting

for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
 - (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (i) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- ii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and POA in favour of the Custodian who they have authorized to vote on their behalf, in PDF format in the system for the scrutinizer to verify the vote.
- iii) The voting period begins on 13.09.2014 at 9.00 A.M. and ends on 15.09.2014 at 6.00.P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the 22.08.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- iv) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- v). 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 22.08.2014 for e voting purpose.

- vi). Mr. Vivek Surana, Practicing Company Secretary, C.P. No. 12901 has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - vii). 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.
 - viii). The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.cigniti.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.
 - ix). Since the Company is required to provide members facility to cast their vote by electronic means, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 22.08.2014 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
9. 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 and the Certificate from the Auditors of the Company certifying that the, 'CIGNITI Stock Option Plan 2011' and 'Stock Option Plan 2013' are being implemented in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, will be available for inspection at the AGM.
 10. Members holding shares in demat form are hereby informed that bank particulars registered with their

respective Depository Participant(s), with whom they maintain their demat accounts, will be used by the Company. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change in bank particulars. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate to their Depository Participants immediately.

11. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Aarthi Consultants Private Limited / Investor Service Department of the Company immediately.
12. 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 M/s. Aarthi Consultants Private Limited / Investor Service Department of the Company.
13. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the registration counter.
14. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.

ADDITIONAL INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT

Brief Details of Directors seeking re-appointment at this Annual General Meeting

(Pursuant to Clause 49 of the Listing Agreement)

1.	Name	:	Sri. C Srikanth
	Age	:	28 Yrs

Qualifications	:	Mr. C. Srikanth has completed his MS in Computer Science from the University of South California and has done a Post Graduate Management Program in New York University's Stern School of Business and a certificate program in M&A from Wharton.
Experience	:	He has 6 years of experience in running the marketing department of Cigniti and played a key role in repositioning the company after he took over the Marketing function. He also runs the Rest of the World business unit that consists of operations in UK, APAC and Australia for Cigniti. The three key reasons the Board has appointed Mr. C. Srikanth as Executive Director are his relevant qualifications, experience and his performance over the last six years in repositioning the company and playing a key role in making Cigniti the 3 rd largest Independent Testing Services company in the world.
Other Directorships	:	Aasaanpay Solutions India Private Limited Tvarita Captial Private Limited
Number of Shares held in the Company	:	25,00,000 Shares

2.	Name	:	Sri. Kolla China Subba Rao
	Age	:	58 Yrs
	Qualifications	:	Master Degree in Science

Experience	:	Varied Experience in Real Estates and other related activities
Other Directorships	:	Nil
Number of Shares held in the Company	:	50,000

3.	Name	:	Sri. K Nageswara Rao
	Age	:	44 Yrs
	Qualifications	:	Master in Commerce
	Experience	:	Rich Experience in Finance & Accounts
	Other Directorships	:	Nil
	Number of Shares held in the Company	:	Nil

4.	Name	:	Sri. Mani Subramanian
	Age	:	46Yrs
	Qualifications	:	Bachelors in Electronics and Telecom Engineering, from IETE and Masters in Information Systems from BITS, Pilani.
	Experience	:	25 Yrs
	Other Directorships	:	Nil
	Number of Shares held in the Company	:	Nil

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Item Nos: 5-7:

In accordance with the relevant provisions of the Articles of Association of the Company and the erstwhile provisions of the Companies Act, 1956, Mr. K. Ch. Subba Rao, Mr. Mani Subramanian and Mr. K Nageswara Rao, Independent Directors were appointed as independent Directors by the Members of the Company. The provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors have come into effect. As per the said provisions, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation at every AGM.

The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the amended Listing Agreement. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. In line with the requirements of the Companies Act, 2013, it is therefore proposed to appoint them, as Independent Directors on the Board of the Company for a term upto five consecutive years, commencing from 01.04,2014. A brief profile of proposed Independent Directors, including nature of their expertise, is provided in this Annual Report.

Notices have been received from Members proposing candidature of the above Directors for the office of Independent Director of the Company. In the opinion of the Board, they fulfil the conditions specified in the Companies Act, 2013 and the Rules made thereunder for appointment as Independent Directors of the Company. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of their appointment, is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company www.cigniti.com

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors, Mr. K. Ch. Subba Rao, Mr. Mani Subramanian and Mr. K Nageswara Rao for their respective appointments, are

concerned or interested, financially or otherwise, in these Resolutions. The Board commends the Ordinary Resolutions as set out at item no. 5 to 7 for approval of the Members.

Item No.8

Due to the enactment of majority provisions of the Companies Act, 2013 certain changes are required to be made in the Articles of Association of the Company. Some new Articles/ clauses are proposed to be inserted in relation to use of electronic mode for voting by members, participation in meeting of the Board by Directors, service of documents and maintenance of registers and records.

A general clause is also proposed to be inserted to the effect that if any provision as mentioned in the Articles is inconsistent with the provisions of the Companies Act, 2013 and Rules made therein, then the provisions of the Companies Act, 2013 and rules made therein shall override the provisions of these Articles.

The Board therefore recommends the resolution under section 14 of the Companies Act, 2013 as a special resolution for your approval.

None of the Directors or key managerial personnel of the Company or their relatives are concerned or interested in the resolution.

Item No.9:

The special resolution as mentioned under item 9 proposes to authorize the Board of Directors to issue and allot up to 43,25,000 equity shares to promoters and others in such manner and on such terms of conditions as prescribed under SEBI (ICDR) Regulations and in compliance with Sections 42 and 62 and other applicable provisions of the Companies Act, 2013, the companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014.

The Information pertaining to the proposed preferential allotment in terms of the Chapter VII of SEBI (ICDR) Regulations, 2009 and subsequent amendments there to is as stated below:

(I) Object of the Issue through preferential Allotment:

To mobilize funds for current/future expansion plans/ activities directly of the Company, working capital and general

corporate purposes including acquisition of companies both in India and Abroad to achieve inorganic growth and to position the company in a global map at high level.

(II) Pricing of the Issue and Relevant Date:

The equity shares will be issued at such a price (including premium) not lower than the minimum price as stipulated in Chapter VII of SEBI (ICDR) Regulations (Regulation 76) i.e., the higher of the following:

- a. The average of the weekly high and low of the closing prices of the related equity shares quoted on the recognised stock exchange during the 6 months preceding the relevant date; or
- b. The average of the weekly high and low of the closing prices of the related equity shares quoted on the recognised stock exchange during the 2 weeks preceding the relevant date.

“Relevant Date” in relation to the issue of equity shares in accordance with the SEBI (ICDR) Regulations, would be 20.08.2014 being the date 30 days prior to the date of annual general meeting where the proposed preferential issue is being considered for approval of the members.

A Certificate will be obtained from the Statutory Auditors / Practicing Company Secretary confirming the minimum price for the preferential issue as per Preferential Issue Guidelines in Chapter VII of SEBI (ICDR) Regulations, 2009 along with the calculation thereof and the same will be made available for inspection at the Registered Office of the Company.

(III) The proposal of the promoters, or their associates and relatives, Directors/key managerial persons of the issuer to subscribe to the offer:

The proposed allottees would fall under Promoter and Public categories as mentioned under point No.(IV). The said allottees propose to subscribe for the above said equity shares. Out of the total issue of 43,25,000 equity shares, the promoters or their associates and relatives, Directors/ key managerial persons of the company are subscribing to the extent of 18,00,000 Equity shares and the balance will be given to the public category. The requirement of issue of securities on preferential basis is necessitated to fulfill the objects as mentioned in point No.1.

(IV). Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control; the proposed allottees and percentage or pre and post preferential issue capital that may be held by them:

List of proposed allottees: All the proposed allottees as furnished in the table are the ultimate beneficial owners of the shares.

Sl. No	Name of the proposed allottee and ultimate beneficial owner	Pre issue holding		Equity shares proposed to be allotted	Post issue holding	
		Shares	% of shares		Shares	% of shares
PROMOTER CATEGORY (A)						
1	C.V.Subramanyam	28,18,036	12.29%	12,00,000	40,18,036	14.75%
2	P.Sudhakar	2,47,557	1.08%	6,00,000	8,47,557	3.11%
SUB TOTAL (A)				18,00,000		
NON-PROMOTER CATEGORY (B)						
3	C.Padmaja	-	-	5,00,000	5,00,000	1.84%
4	Vikas Kumar Bangad	-	-	2,50,000	2,50,000	0.92%
5	Anuradha Bangad	8,641	0.04%	2,50,000	2,58,641	0.95%
6	Usha Devi Bangad	6,171	0.03%	2,50,000	2,56,171	0.94%
7	Vijay Kumar Bangad	5,245	0.02%	2,50,000	2,55,245	0.94%
8	Manju Devi Sharma	31,442	0.14%	1,50,000	1,81,442	0.67%
9	A. Naga Deepthi	50,000	0.22%	1,25,000	1,75,000	0.64%
10	Sheetal Sharma	24,500	0.11%	1,00,000	1,24,500	0.46%
11	Sweatha Sharma			1,00,000	1,00,000	0.37%
12	Sarika Sharma	25,270	0.11%	1,00,000	1,25,270	0.46%
13	Abhishek Sharma	20,000	0.09%	1,00,000	1,20,000	0.44%
14	S.Sarveswar Reddy	37,345	0.16%	60,000	97,345	0.36%
15	Gyan Kumar Gupta (HUF)	-	-	50,000	50,000	0.18%
16	Venkata Subbarao Pallemati	3,000	0.01%	50,000	50,000	0.18%
17	Naveen Pallemati	-	-	60,000	60,000	0.22%
18	Nagendramma Pallemati	-	-	50,000	50,000	0.18%
19	Nagabhushanam Pallematti	-	-	50,000	50,000	0.18%
20	Shaik Omar Amodi	-	-	10,000	10,000	0.04%
21	Kumar Chiranjeevi Vankata Kalya Vasireddy	-	-	10,000	10,000	0.04%
22	Ravi Krishna Gadiraju	-	-	10,000	10,000	0.04%
SUB TOTAL (B)				25,25,000		
GRAND TOTAL (A+B)				43,25,000		

* Note: Ultimate Beneficial Owners for proposed allottee no.15 Gyan Kumar Gupta (HUF)

1. Gyan Kumar Gupta (Karta)
2. Prema Bai (Wife - Member)
3. Jitesh Kumar Agarwal (Son - Member)
4. Divesh Kumar Agarwal (Son - Member)
5. Manish Kumar Agarwal (Son - Member)

(V) Shareholding pattern before and after preferential issue of the capital would be as follows:

Sl. No.	CATEGORY	Pre issue holding details		Post issue holding details	
		No. of shares	% of shares	No. of shares	% of Shares
A	Promoter Share Holding				
1	Indian Promoters	64,45,339	28.12	76,45,339	28.06
2	Foreign Promoters	60,45,557	26.38	66,45,557	24.39
	Sub-Total (A)	1,24,90,896	54.50	1,42,90,896	52.45
B	Public Share holding				
1	Institutions	-	-	-	-
2	Non-Institutions				
(i)	Bodies Corporate	6,58,795	2.87	6,58,795	2.42
(ii)	Individuals	96,63,927	42.16	1,21,88,927	44.74
(iii)	NRIs	56,364	0.25	56,364	0.21
(iv)	Clearing Members	51,263	0.22	51,263	0.19
C	Any Others:	-	-	-	-
	Sub-Total (B)	1,04,30,349	45.50	1,29,55,349	47.55
	Grand Total (A+B)	2,29,21,245	100.00	2,72,46,245	100.00

(VI) Proposed time within which the allotment shall be completed:

The allotment of equity shares shall be completed, within a period of 15 days from the date of passing of the resolution by the shareholders provided, that where the allotment is pending on account of pendency of any approval from any regulatory authority including SEBI, the allotment shall be completed by the Company within a period of 15 days from the date of such approvals.

(VII) Approvals:

The Company will take necessary steps to obtain the required approvals from the Stock Exchanges, SEBI, or any other regulatory agency as may be applicable, for the proposed preferential issue of equity shares.

(VIII) SEBI Takeover code:

In the present case none of the proposed allottees would attract SEBI Takeover Code and therefore is not under obligation to give open offer to the public except making certain disclosures to Stock Exchanges.

(IX) Holding of shares in demat form, non disposal of shares by the proposed allottees and lock-in period of shares:

The entire shareholding of the proposed allottees in the company, if any, is held by them in dematerialized form. The entire pre preferential allotment shareholding of such allottees shall be under lock-in from the relevant date up to a period of six months from the date of trading approval from all the stock exchanges where the securities of the Company are listed. The shareholder who has sold their shares during the six months period prior to the relevant date shall not be eligible for allotment of equity shares on preferential basis. The proposed shareholders have Permanent Account Number.

(X) Lock -in Period:

The equity shares proposed to be allotted shall be subject to 'lock-in' for such a period as the case may be from the date of trading approval from all the stock exchanges where the securities of the Company are listed as per Clause 78 of the SEBI (ICDR) Regulations, 2009.

(XI) Auditor Certificate:

Certificate from the Statutory Auditors / Practicing Company Secretary confirming that the proposed issue of equity shares is being made in accordance with the SEBI (ICDR) Regulations, 2009 will be/is obtained and the same will be made available for inspection at the Registered Office of the Company on any working day.

(XII) Control:

As a result of the proposed preferential allotment of equity shares, there will be no change in the composition of the Board of Directors and control of the Company.

(XIII) Undertakings:

In terms of SEBI (ICDR) Regulations, 2009 issuer hereby undertakes that:

- It shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.
- If the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continued to be locked in till the time such amount is paid by the allottees.

(XIV) Compliances:

The company has complied with the requirement of listing agreement including clause 40A i.e., maintaining a minimum of 25% of the paid up capital in the hands of the public.

(XV) Approval under the Companies Act:

Section 62(1) of the Companies Act, 2013 provides, inter alia, that whenever it is proposed to increase the subscribed capital of a Company by further issue and allotment of shares, such shares shall be first offered to the existing shareholders of the Company in the manner laid down in the said section, unless the shareholders decide otherwise in General Meeting / Postal Ballot by way of special resolution.

Accordingly, the consent of the shareholders is being sought pursuant to the provisions of section 62(1) of the Companies Act, 2013 and all other applicable provisions, SEBI Guidelines or regulations and the provisions of the Listing Agreement with the Stock Exchanges for authorizing the Board to offer, issue and allot equity shares as stated in the resolution, which would result in a further issuance of securities of the Company to the promoters and others on a preferential allotment basis, in such form, manner and upon such terms and conditions as the Board may in its absolute discretion deem fit.

The Board of Directors recommends the passing of the above resolution as a Special Resolution as set out in the Notice.

Except the Directors, Mr. C.V.Subramanyam, Mr. C. Srikanth, Mr. C. Sudhakar and Mr. P. Sudhakar, none of the other Directors, key managerial personnel and their relatives are concerned or interested in the above said resolution.

Item Nos. 10, 11 & 12:

ESOP scheme and grant of options to the employees of subsidiary and step down subsidiary company under Employee Stock Options Scheme – 2014

The main objectives of this scheme is to give employees who are performing well, a certain minimum opportunity to gain from the Company's performance, thereby acting as a retention tool and to attract best talent available in the market. The Employees Stock Option Scheme 2014 (the Scheme) will be administered by the Nomination & Remuneration Committee/ Compensation Committee of the Board or the Board in terms of the Employee Stock Option Guidelines.

A Special Resolution are also proposed for issuing/granting of options to the employees of the subsidiary and step down subsidiary to Cigniti Technologies Limited and also exceed 1% of the paid up capital of the company. The Board / Compensation Committee will formulate inter alia the detailed terms and conditions of the Scheme including:

The tranches within which the options are to be granted in accordance with the Eligibility Criteria.

The terms and conditions subject to which the options granted would vest in the respective employees.

The terms and conditions subject to which the options vested would be exercised by the employees. The right of the employees to Exercise all the options vested in him at one time or at various points of time within the Exercise Period; Conditions under which the options vested in the employees may lapse.

The procedure for making fair and reasonable adjustment to the number and options and exercise price in case of any corporate actions, such as rights issues, bonus issues, merger, sale of division and others.

In this regard following shall be taken into consideration by the Board / compensation committee:

1. The number and the price of options shall be adjusted in a manner such that total value of the options remains the same after the corporate action. For this purpose global best practice in this area including the procedures followed by the derivative markets in India and abroad shall be considered.
2. The Vesting Period and the life of the options shall be left unaltered as far as possible to protect the rights of the Option holders.
3. The procedure for cashless exercise of options, if any.
4. Framing appropriate procedure for granting, vesting and exercising of options.
5. Obtaining permission from and making periodic reports to regulatory authorities, as may be required and ensuring compliance with all rules and SEBI ESOP Guidelines applicable to the "CTL- ESOP-2014"; framing suitable policies and systems to ensure that there is no

violation by any person of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003, the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any statutory modifications and re-enactments thereof.

SALIENT FEATURES OF CIGNITI TECHNOLOGIES LIMITED EMPLOYEES STOCK OPTION SCHEME – 2014:

(a). The total number of options to be granted:-

The total number of options that may in the aggregate, be granted shall be up to 5,00,000 options that shall be converted into 5,00,000 fully paid up equity shares of the face value Rs.10/- each of the Company. Any vested option(s) that lapse due to non-exercise or unvested option(s) that do not vest due to any reasons whatsoever would be available for re-grant at a future date.

(b). Identification of classes of employees entitled to participate in CTL- ESOP Scheme 2014

Persons who are "permanent employees" of the Company, subsidiary company and step down subsidiary company including joining employees, as defined in the ESOP Guidelines (including any statutory modification(s) or enactment of the Act or the Guidelines for the time being in force), and as may be decided by the ESOP Compensation Committee, from time to time will be entitled to participate in the Scheme based on annual appraisal process.

An employee who is a promoter or belongs to the promoter group and a Director who either by himself or through his relative or through anybody corporate, directly or indirectly holds more than 10 % of the outstanding equity shares of the company shall not be eligible to participate in the ESOP scheme.

The options granted under the scheme shall not be renounced, transferred, pledged, hypothecated, mortgaged or otherwise alienated, other than the manner specified in the Scheme.

(c) Requirement of vesting, period of vesting including maximum period within which options shall be vested:

- i). Continuation of employment is the requirement for vesting of Options.
- ii). There shall be a minimum period of one year between the grant of options and vesting of options.
- iii). Vesting of options will commence after a period of 1 year from the date of grant, and may extend up to 5 years from the date of grant.
- iv). The vesting may occur in tranches, subject to the terms and conditions of vesting, as may be stipulated by the ESOP Compensation Committee, in its discretion, and which will include performance appraisal of the employee and achievement of other performance milestones.

(d) Exercise price or pricing formula:

The exercise price for the purpose of grant of options shall be the price as defined in the SEBI Guidelines/Regulations on the date of grant of options or the price equal to the closing price of the equity shares a day prior to the date of the meeting of the Board of Directors or Nomination & Remuneration Committee / Compensation Committee, in which the options are granted, on the Stock Exchanges where the equity shares of the company are listed and traded with highest trading volume on the said date or such other price as decided by the ESOP Nomination & Remuneration Committee / compensation committee which shall not be less than the face value of the equity share of the company.

(e) Exercise Period and the process of Exercise:

The Exercise Period has been defined in the **CTL- ESOP Scheme 2014** as the period of 4 years from the date of vesting of the options, within which period the Option Grantee should exercise the options vested in him. The options will be exercisable by the option grantee(s) by a written application to the Company to exercise the options in such manner and on execution of such documents, as may be prescribed by the compensation committee from time to time.

(f) Appraisal process of determining the eligibility of employees to the ESOP, 2014:

The Company has a formal performance appraisal system

established wherein the performance of the employee is assessed each year on the basis of various parameters. The appraisal process is reviewed at regular intervals. In determining the number of options to be granted, the Nomination and Remuneration Committee / Compensation Committee consider the following:

1. Performance of the employee
2. Position, seniority and responsibilities of the employee
3. Nature & value of the eligible employee's services & accomplishments, whether direct or indirect, to the company.
4. The employee's present and potential contribution to the success of the company or its Subsidiary or Holding Company.
5. Gap in compensation package as per market, if any.
6. Such other factors as the compensation committee may deem relevant

(g) Maximum number of options to be issued per employees and in the aggregate:

- i) The maximum number of options granted to Eligible Employees will depend upon the Rank / designation of the employee as on the date of grant of options.
- ii) The ESOP Committee shall decide on the number of options to be granted to each Employee within the limit.

(h) Accounting Policies:

The company will conform to the accounting policies specified in Clause 13.1 of the ESOP Guidelines and/or such other guidelines as may be applicable from time to time.

(i) Method of Valuation:

The Company shall use the intrinsic value method prescribed under the ESOP Guidelines to value its options. In case the company calculates the employees compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Director's Report and also the impact of this difference on profits and on EPS of the company shall be

disclosed in the Director's Report. The Company shall disclose in its Directors' Report, the difference between the employee compensation cost computed using the intrinsic method of valuation of options and the employee compensation cost that shall have been recognized if it had used the fair value of the options and also the impact of this difference on profits and the EPS (Earning Per Share) of the Company.

Resolution in terms of Clause 6.3(b) of the ESOS Guidelines

Clause 6.3(b) of the ESOS Guidelines require the approval of the shareholders by way of a separate resolution for the grant of equity shares to identified employees, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of allotment of equity shares and also for allotment of shares to the employees of subsidiary and step down subsidiary company.

Approval of shareholders by way of separate resolution is being sought as the Company proposes to allot to the key/top level employees more than 1% of the outstanding issued capital in any year. The rationale for grant of more than 1% to the employees will be decided by the Board or Nomination & Remuneration Committee / Compensation Committee.

The **CTL- ESOP Scheme 2014** seeks to reward the employees who do not currently propose to take or have adequate remuneration as per the industry standards from the Company and has expressed their willingness to be compensated for their efforts by the issue of equity shares.

Your Directors recommend the resolutions as set out in Item Nos. 10, 11 and 12 for the approval of the members as Special Resolutions.

None of the Directors, key managerial personnel and their relatives are concerned or interested in the above said resolution.

Item No.13:

At the Annual General Meeting of the Company held on 12th July, 2012, the shareholders of the Company approved the increase in remuneration to Shri. C.V.Subramanyam (DIN No. 00071378) Managing Director to Rs.10,00,000/- per month including perquisites and other entitlements.

Having regard to the knowledge, experience of Shri. C.V.Subramanyam (DIN No. 00071378) and the responsibilities shouldered on him, considering the recommendations of Nomination & Remuneration committee, the Board accorded its approval at the meeting held on 14th August, 2014 subject to the approval of shareholders of the Company by way of special resolution, to redesignate him as Chairman & Managing Director and to revise the salary payable to Shri C.V.Subramanyam (DIN No. 00071378) with in the maximum limit of managerial remuneration (without the approval of the Central Government) including doubling the limits as prescribed under Section 197 read with Schedule V to the Companies Act, 2013 till the expiry of his respective tenure. The Nomination & Remuneration committee had approved the remuneration payable to Shri C.V.Subramanyam (DIN No. 00071378) by passing the necessary resolution in its meeting held on 14th August, 2014 in terms of Schedule V to the Companies Act, 2013.

It is therefore, proposed that the remuneration to Shri C.V.Subramanyam (DIN No. 00071378) 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.

The Board of Directors recommends the passing of the above resolution as a Special Resolution.

Except the Directors, Mr. C.V.Subramanyam, Mr. C. Srikanth, and Mr. C. Sudhakar, none of the other Directors, key managerial personnel and their relatives are concerned or interested in the above said resolution.

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: The Company started its commercial operations in the year 1999-2000.			
3	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable			
4	Financial performance based on given indications (A). Net Profit or loss under section 198 of the Companies Act, 2013 on consolidated basis			
	Particulars	01.04.2013 to 31.03.2014 (Amt in Rs)	01.04.2012 to 31.03.2013 (Amt in Rs)	01.04.2011 to 31.03.2012 (Amt in Rs)
	Turnover	259,09,97,733	150,90,86,648	33,83,97,947
	Net profit as computed under Section 198	32,84,97,391	6,91,64,136	1,78,46,329
	Net profit / loss as per profit and loss account	25,54,49,002	5,00,38,825	11805,432
	(B). Net Profit or loss under section 198 of the Companies Act, 2013 on Standalone basis			
	Particulars	01.04.2013 to 31.03.2014 (Amt in Rs)	01.04.2012 to 31.03.2013 (Amt in Rs)	01.04.2011 to 31.03.2012 (Amt in Rs)
	Turnover	55,62,98,162	23,56,74,820	10,23,88,645
	Net profit as computed under Section 198	11,89,68,789	1,69,59,837	56,47,233
	Net profit / loss as per profit and loss account	8,03,95,757	1,17,51,258	39,02,236
5	Export performance and net foreign exchange collaborations: Cigniti Technologies Limited has expanded its US operations by expanding its sales team in the US and continues to expand its sales, business development, solution engineering and marketing teams. The acquisition of Cigniti Inc., has also provided access to large enterprises served by Cigniti Inc. and created opportunities for the company to up sell and cross-sell different services across existing clients.			

II. INFORMATION ABOUT THE APPOINTEE:

1.	Background Details: Sri. C.V. Subramanyam holds a Bachelor in Commerce and Law and Post Graduate Diploma in Business Management. In 1998, he founded Cigniti Technologies Limited as an IT services company providing IT solutions. He successfully took the company public in 2004. Under his strategic direction, the company repositioned itself as an Independent Testing Services company in 2008 and since then grown multifold to emerge as India's largest Independent Testing Services company.
2.	Past Remuneration: The remuneration drawn by Shri.C.V.Subramanyam, Managing Director is Rs.10,40,000/- per month and Rs.1,20,00,000/- per annum in the year 2012-13 and 2013-14.
3.	Recognition or awards : Not Applicable
4.	Job Profile and his suitability: Shri. C.V. Subramanyam – Chairman & Managing Director of the Company heads the supervisory board of Cigniti Technologies Limited and focuses on strategic direction, corporate planning, corporate governance and regulatory aspects of running a publicly listed company. His primary focus is creating shareholder value by ensuring various parts of the organization are adding value to stakeholders like clients, employees, partners, industry and society. In 2008, Sri. C.V. Subramanyam was instrumental in putting together a world class executive management team and successfully repositioning the company as an Independent Software Testing services company. Cigniti has grown to become one of the world's premier Independent Software Testing services company and aims to become the world's largest and most respected independent testing services company by 2015.
5.	Remuneration proposed As set out in the resolution for the item No.13 i.e. with in the limits prescribed under schedule V of the Companies Act, 2013.
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.C.V.Subramanyam 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 any Beside, the remuneration proposed, he is holding 28,18,036 Equity Shares of the Company.

III. OTHER INFORMATION:

1.	Reasons for inadequate profits or negative effective capital: The Company is in the mode of expansion of the business which generally requires spending lot of money upfront leading to minimal profits in the initial years. All this expenditure will result in to revenues over a period of next two to three years.
2.	Steps taken or proposed to be taken for improvement: Relevant efforts are being made to increase the clientele both in India and abroad who in turn contribute for the growth of the business as well as the profitability.
3.	Expected increase in productivity and profit in measurable terms: The company achieved a Consolidated turnover of Rs. 259.359 Crores - Net profits of Rs. 25.545 Crores and Standalone Turnover of Rs.55.63 Crores - Net profits of Rs.8.040 Crores for the year 2013-14.

Item No.14:

At the Annual General Meeting of the Company held on 16th September, 2013, the shareholders of the Company approved the remuneration to Shri. C.Srikanth (DIN No. **06441390**) Wholetime Director at Rs.10,00,000/- per month including perquisites and other entitlements.

Having regard to the knowledge, experience of Shri. C. Srikanth (DIN No. **06441390**) and the responsibilities shouldered on him, considering the recommendations of Nomination & Remuneration committee, the Board accorded its approval at the meeting held on 14th August, 2014 subject to the approval of shareholders of the Company by way of special resolution, to revise the salary payable to Shri. C.Srikanth (DIN No. **06441390**) with in the maximum limit of managerial remuneration (without the approval of the Central Government) including for doubling the limits as prescribed under Section 197 read with Schedule V to the Companies Act, 2013 till the expiry of his respective tenure. The Nomination & Remuneration committee had approved the remuneration payable to Shri. C.Srikanth (DIN No. **06441390**) by passing the necessary resolution in its meeting held on 14th August, 2014 in terms of Schedule V to the Companies Act, 2013.

It is therefore, proposed that the remuneration to Shri. C. Srikanth (DIN No. **06441390**) 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: The Company started its commercial operations in the year 1999-2000.
3	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable

- 4 **Financial performance based on given indications**
(A). Net Profit or loss under section 198 of the Companies Act, 2013 on consolidated basis

Particulars	01.04.2013 to 31.03.2014 (Amt in Rs)	01.04.2012 to 31.03.2013 (Amt in Rs)	01.04.2011 to 31.03.2012 (Amt in Rs)
Turnover	259,09,97,733	150,90,86,648	33,83,97,947
Net profit as computed under Section 198	32,84,97,391	6,91,64,136	1,78,46,329
Net profit / loss as per profit and loss account	25,54,49,002	5,00,38,825	11805,432
Amount of dividend paid (including dividend tax)	-	-	-

- (B). Net Profit or loss under section 198 of the Companies Act, 2013 on Standalone basis

Particulars	01.04.2013 to 31.03.2014 (Amt in Rs)	01.04.2012 to 31.03.2013 (Amt in Rs)	01.04.2011 to 31.03.2012 (Amt in Rs)
Turnover	55,62,98,162	23,56,74,820	10,23,88,645
Net profit as computed under Section 198	11,89,68,789	1,69,59,837	56,47,233
Net profit / loss as per profit and loss account	8,03,95,757	1,17,51,258	39,02,236
Amount of dividend paid (including dividend tax)	-	-	-

- 5 Export performance and net foreign exchange collaborations : Cigniti Technologies Limited has expanded its US operations by expanding its sales team in the US and continues to expand its sales, business development, solution engineering and marketing teams. The acquisition of Cigniti Inc., has also provided access to large enterprises served by Cigniti Inc. and created opportunities for the company to up sell and cross-sell different services across existing clients.

II. INFORMATION ABOUT THE APPOINTEE:

- Background Details:** Mr. C. Srikanth has completed his MS in Computer Science from the University of South California and has done a Post Graduate Management Program in New York University's Stern School of Business. He has relevant experience of 5 years in Marketing field and played a key role in repositioning the company after he took over the Marketing function. The three key reasons the Board has appointed Mr. C. Srikanth as Executive Vice President of Marketing are his relevant qualifications, experience and his performance over the last five years in repositioning the company and playing a key role in making Cigniti the 3rd largest Independent Testing Services company.
- Past Remuneration:** The remuneration drawn by Shri. C. Srikanth, Whole-time Director is Rs.80,00,000/- per annum in the year 2013-14.
- Recognition or awards : **Not Applicable**
- Job Profile and his suitability:** He has 6 years of experience in running the marketing department of Cigniti and played a key role in repositioning the company after he took over the Marketing function. He also runs the Rest of the World business unit that consists of operations in UK, APAC and Australia for Cigniti.
- Remuneration proposed**
As set out in the resolution for the item No.14 i.e. with in the limits prescribed under Schedule V of the Companies Act, 2013.
- 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. C. Srikanth and the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.
- Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

Beside, the remuneration proposed, he is holding 25,00,000 Equity Shares of the Company.

III. OTHER INFORMATION:

1. **Reasons for inadequate profits or negative effective capital:** The Company is in the mode of expansion of the business which generally requires spending lot of money upfront leading to minimal profits in the initial years. All this expenditure will result in to revenues over a period of next two to three years.
2. **Steps taken or proposed to be taken for improvement:** Relevant efforts are being made to increase the clientele both in India and abroad who in turn contribute for the growth of the business as well as the profitability.
3. **Expected increase in productivity and profit in measurable terms:** The company achieved a Consolidated turnover of Rs. 259.359 Crores - Net profits of Rs. 25.545 Crores and Standalone Turnover of Rs.55.63 Crores - Net profits of Rs.8.040 Crores for the year 2013-14.

The Board of Directors recommends the passing of the above resolution as a Special Resolution.

Except the Directors, Mr. C. Srikanth, Mr. C.V.Subramanyam and Mr. C. Sudhakar, none of the other Directors, key managerial personnel and their relatives are concerned or interested in the above said resolution.

For and on behalf of the Board
For Cigniti Technologies Limited

C.V. Subramanyam
Managing Director

Place : Hyderabad
Date : 14.08.2014

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 : L72200TG1998PLC030081
Name of the company : Cigniti Technologies Limited
Registered office : Suit No.106&107,6-3-456/C,
MGR Estates, Dwarakapuri Colony
Panjagutta, Hyderabad,
Telangana – 500082

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 :
Address :
E-mail Id :
Signature:, or failing him

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

3. Name :
Address :
E-mail Id :
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 16th Annual General Meeting of the company, to be held on Friday 19th day of September, 2014 at 11.00 a.m. at "The V (Ascendas Auditorium", Plot No# 17, Software Units Layout, Madhapur, Hyderabad – 500 081 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Nos.

1. Approval of financial statements and the reports thereon for the year ended 31.03.2014.
2. Appointment of Mr. C Srikanth as Director.
3. Retirement of Mr. C Sudhakar as Director
4. Appointment of statutory auditors and fixation of their remuneration.
5. Appointment of Mr. K. Ch. Subba Rao as Independent Director.
6. Appointment of Mr. Mani Subramanian as Independent Director.
7. Appointment of Mr. K. Nageswara Rao as Independent Director.
8. Alteration of Articles of Association.

9. Issue of Equity Shares on Preferential Basis to the Promoters and the Others.
10. Employee Stock Option Scheme – 2014
11. Grant of options to the employees of subsidiary and step down subsidiary company under employee stock options scheme – 2014
12. Allotment of equity shares exceeding 1% of the paid up capital of the company under ESOP Scheme – 2014
13. Remuneration and change of designation of Shri. C.V.Subramanyam (DIN NO. 00071378), Managing Director of the company
14. Remuneration of Shri. C. Srikanth (DIN NO. 06441390), Whole-time Director of the company

Signed this day of..... 2014

Signature of shareholder



Signature of Proxy holder(s)

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.

CIGNITI TECHNOLOGIES LIMITED

Suit No. 106 & 107, 6-3-456/C, MGR Estates, Dwarakapuri Colony, Panjagutta, Hyderabad – 500 082.

ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 16th Annual General Meeting of the Company to be held on Friday 19th September, 2014 at 11.00 a.m. "The V (Ascendas Auditorium", Plot No# 17, Software Units Layout, Madhapur, Hyderabad – 500 081.



Shareholders/Proxy's Signature _____ Shareholders/Proxy's full name _____ Folio No. / Client ID _____ No. of shares held _____
(In block letters)

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.

Note: Please read the instructions printed under the Note no. 8 to the Notice dated 14.08.2014 of the 16th Annual General Meeting.

