



Cadsys (India) Limited

Company Identity No. (CIN): L72200TG1992PLC014558

R.O: 3-5-900/1, IVth Floor, Aparajitha Arcade, Himayathnagar, Hyderabad, Telangana-500029, India.

Email: cs@cadssystem.com, web: www.cadssystem.com

Tel. Phone No.: 040 – 23224110

POSTAL BALLOT NOTICE

Pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014

Dear Member(s),

NOTICE is hereby given that pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and any other applicable provisions of the Act and Rules made there under, if any including any statutory modification(s), amendment(s) or reenactment(s) thereof, for the time being in force and pursuant to applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Cadsys (India) Limited (the “Company”) hereby seeks your approval through Postal Ballot for the resolutions set out below.

The resolutions and explanatory statement pertaining to the said resolutions containing all material facts are being sent herewith with the Postal Ballot Form (“**Form**”) along with a self-addressed, postage pre-paid envelope for your consideration and approval.

Members are requested to read and follow the instructions carefully before filling the Form and return the Form (no other copy or photocopy of the said Form will be accepted) duly completed in the attached self-addressed, postage pre-paid envelope so as to reach the Scrutinizer by not later than the close of working hour at 05:00 p.m. on December 19th, 2018. Forms received after this date will be strictly treated as reply from the concerned member has not been received. The postage will be borne and paid by the Company.

The Company is pleased to offer e-voting Facility as an alternative way to vote to its members(s). The procedure for availing the e-voting facility is described in the Postal Ballot Notice.

The Board of Directors of the Company (“**Board**”) has appointed CS Nitesh Kumar Agarwal, Partner at M/s RANJ & Associates, Practicing Company Secretaries, Hyderabad as Scrutinizer (“**Scrutinizer**”) who will be responsible for the fair and transparent conduct of the Postal Ballot Process.

The Scrutinizer will submit his report to the Company after completion of the scrutiny of the Postal Ballot Forms and after verifying the voting as data received from the e-voting portal. The result of the Postal Ballot along with Scrutinizers report shall be placed on the website of the Company i.e. www.cadssystem.com on December 21st, 2018. The results of the Postal Ballot will immediately be intimated to the National Stock exchange and CDSL.

**By order of the Board of Directors of
Cadsys (India) Limited
Sd/-**

Date: November 9th, 2018
Place: Hyderabad

**N.C Padmaja
Whole-Time Director
DIN: 01173673**

SPECIAL BUSINESS:

ITEM No. 1: Appointment of Mr Appalacharyulu Chilakamarri (DIN No. 01601712) as an Independent Director of the Company.

To consider and, if thought fit, to give assent or dissent to the following resolutions as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of sections 149, 150,152, read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (**‘Act’**) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), together with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, approval of the shareholders of the Company be and is hereby accorded for the Appointment of Mr. Appalacharyulu Chilakamarri (DIN: 01601712) as an Independent Director to fill the casual vacancy caused due to the death of Late Nandachary Mudumbi and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Independent Director and a declaration from Appalacharyulu Chilakamarri (DIN: 01601712) that he fulfils the criteria for independence as provided in Section 149(6) of the Act, to hold office for the remaining term of the original director i.e., until April 1st, 2022, whose period of appointment shall not be liable to retire by rotation.”

“RESOLVED FURTHER THAT consequent to expiration of his term as an Independent Director of the Company, he shall cease to be a Director of the Company.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such other acts, deeds, matters and things as may be necessary, in the best interests of the Company and sign, execute and submit all necessary documents, applications and returns with the statutory authorities to give effect to the above resolution along with filing of necessary E-Forms with the Registrar of Companies, Telangana and Andhra Pradesh.”

ITEM No. 2: Increasing the limits of Loans, Investments and Guarantee under Section 186 of Companies Act, 2013.

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

“RESOLVED THAT pursuant to the provisions of Section 186 read with the Rules framed thereunder and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called 'the Board' which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution) to (A) give any loan(s) / any

other form of debt to any person or other body corporate or any other permissible form of entity(ies) or organisation(s); (B) give any guarantee(s) and/or provide security(ies) in connection with a loan/any other form of debt to any other body corporate or person and; (C) to make investment or acquire by way of subscription, purchase or otherwise the securities of any other body corporate or any other permissible form of entity(ies) whether Indian or overseas provided that the aggregate amount of all loans or guarantees or providing any security or the acquisition of securities or any investment shall not exceed INR 15 Crores (Rupees Fifteen Crores Only) over and above the limits as prescribed in Section 186 of Companies Act, 2013 i.e. sixty percent of the paid-up Share Capital, Free Reserves and Securities Premium of the Company or hundred percent (100%) of Free Reserves and Securities Premium of the Company whichever is more."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to execute agreements, deeds, applications, and related documents, finalise the terms and conditions or other necessary tasks as may be required and to do all such acts, deeds, matters and things as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard including power to sub-delegate in order to give effect to the aforesaid resolution along with filing of necessary E-Forms with the Registrar of Companies, Telangana and Andhra Pradesh."

**By order of the Board of Directors of
Cadsys (India) Limited
Sd/-**

Date: November 9th, 2018
Place: Hyderabad

**N.C Padmaja
Whole-Time Director
DIN: 01173673**

EXPLANATORY STATEMENT

Pursuant to the provisions of Section 102 of Companies Act, 2013

The following statement sets out all the material facts relating to the Special Business mentioned in the Notice:

Item No. 1

Mr. Appalacharyulu Chilakamarri (DIN: 01601712) is a Fellow Member of The Institute of Chartered Accountants of India (ICAI) having 28 years of post-qualification experience in the area of Finance, Direct, Indirect Taxes and Company Law Matters. His area of experience include Direct and Indirect Taxes including GST, Costing, Internal Audit, Internal Control Systems, Company law matters, Finance Management, Audits of Pharma , Software, ARCs and Banks. Mr. Charyulu has served in the Board of Companies like SIRIS Limited, SDI Limited over a period of 18 years.

Mr. Appalacharyulu Chilakamarri (DIN: 01601712) was appointed as a Non-Executive Independent Director to fill the casual vacancy caused due to death of Late Shri Nandachary Mudumbi. As per Section 161(4) of the Companies Act, 2013 a person who has been appointed as Director in casual vacancy holds office up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated. Consequently, Mr. Appalacharyulu Chilakamarri holds office until the end of such term i.e., the date till which the original Director Late Shri. Nandachary Mudumbi, would have held the office.

Board of Directors of the Company has received declaration from the Independent Director that he meets the criteria of Independence as provided in Sub Section (6) of Section 149 of the Act along with other supporting Documents like consent to act as Independent director and Intimation to the effect that he is not disqualified to be appointed as a Director in the Company and also a notice has been received from a member proposing Mr. Appalacharyula Chilakamarri as a candidate for the office of Director of the Company pursuant to provisions of Section 160 of the Act.

Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Appalacharyulu Chilakamarri an Independent Director. Accordingly, in the opinion of the Board, the independent director fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management and hence the Board recommends the resolution in relation to his appointment as set out in Notice, for the approval by the shareholders of the Company.

Copy of Draft Letter of Appointment setting out terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board recommends the passing of the Ordinary Resolution as set out in the Item no. 1 of the Notice for the appointment of Mr. Appalacharyulu Chilakamarri as an Independent Director, not liable to retire by rotation.

A statement containing his profile is given as per **Annexure 1**.

Except Mr. Appalcharyulu Chilakamarri, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

Item No. 2

The members are hereby informed that the Board of Directors intends to diversify and expand the Business of the Company and for this purpose, the Company from time to time will propose to make investments either domestic or overseas. As such, it is proposed to obtain the shareholders approval upto an amount of INR 15,00,00,000/- (Rupees Fifteen Crores only) over and above of the limits prescribed under the provisions of section 186 of Companies Act, 2013 and rules made thereunder.

Pursuant to the provisions of Section 186 of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of (a) sixty percent of the paid up share capital, free reserves and securities premium account or (b) one hundred percent of free reserves and securities premium account.

The Directors therefore, recommend the Special Resolution for approval of the shareholders.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the passing of the aforesaid resolution, except to the extent of their shareholding, if any.

**By order of the Board of Directors of
Cadsys (India) Limited
Sd/-**

Date: November 9th, 2018
Place: Hyderabad

**N.C Padmaja
Whole-Time Director
DIN: 01173673**

NOTES:

1. The Special Businesses as mentioned above requires the consent of members through Postal Ballot and an Explanatory Statement pursuant to section 102 (1) of The Companies Act, 2013 setting out the material facts concerning each item of business to be transacted is annexed hereto.
2. Notice along with the Postal Ballot Form is being sent to the Members whose names appear on the register of members/ list of beneficial owners as received from the National Securities Depositories Limited (NSDL) and Central Depositories Services (India) Limited (CDSL) as on November 9th, 2018. Accordingly, voting rights of the members (either electronic or physical) shall be reckoned on the paid-up value of shares registered in the name of Members / beneficial owner received from NSDL and CDSL (in case of electronic shareholding) as on November 9th, 2018.
3. The Notice along with the Postal Ballot Form is being sent to the Members in the electronic form to the e-mail addresses registered with their Depositories Participants (in case of electronic shareholding) / the Company's Registrars and Transfer Agents viz. M/s Bigshare Services Private Limited (in case of Physical Shareholding). For Members whose e-mail addresses are not registered, physical copies of the Notice are being sent by permitted mode along with self-addressed postage pre-paid envelope. **To support the "Green Initiative", the Members who have not registered their email addresses are requested to register the same with the Registrar & Transfer Agent/Depository Participant.**
4. Members who have received the notice by e-mail and who wish to vote through physical form may download the Postal Ballot Form attached to the e-mail or from the "**Investors**" Section of the website of the Company i.e., www.cadsystech.com.
5. Resolution passed by the members through postal ballot including voting by electronic means shall be deemed to have been passed as if they have been passed at a general meeting of the members convened in this behalf.
6. The e-voting period commences on November 20th, 2018 (9.00 A.M.) and ends on December 19th, 2018 (5:00 P.M.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., November 9th, 2018 may cast their vote electronically.
7. In compliance with the provisions of Section 108 and 110 of the Companies Act, 2013 and Rules made thereunder, the Company is providing the facility to its Members to exercise their votes electronically and to vote on all resolutions through e-voting facility arranged by CDSL which would enable them to cast their vote electronically as an alternative to dispatch the postal ballot forms. The Instructions for e-voting are annexed to the Notice under **Note No. 17**. Members are requested to carefully read the instructions of e-voting before exercising their vote.
8. A Member cannot exercise his vote by proxy on postal ballot.
9. Members can opt for only one mode for voting, that is, either by physical Postal Ballot or e-voting. In case members cast their votes through both modes, voting done by e-voting shall prevail and votes cast through physical Postal Ballot will be treated as "**INVALID**".

10. The resolutions, if approved, shall be deemed to have been passed on the last date of voting, that is December 19th, 2018
11. Corporate / Institutional Members (i.e. other than individuals, HUF, NRI, etc.) opting for physical ballot are also required to send certified true copy of the Board Resolution/ Power of Attorney/ Authority Letter, etc., together with the attested specimen Signature(s) of the duly authorized representative(s), to the Scrutinizer along with the postal ballot form.
12. The Board of Directors has appointed CS Nitesh Kumar Agarwal, Partner of M/s RANJ & Associates, practicing Company Secretaries, Hyderabad as a scrutinizer to conduct the postal Ballot voting process in fair and transparent manner.
13. The scrutinizer will submit his report to the chairman after the completion of scrutiny, and the results of voting by postal ballot (including voting through electronic means) will be declared by placing it along with the scrutinizers' report on the Company's website i.e. www.cadsystech.com and communicated to the Stock Exchange.
14. Relevant documents referred to in the notice and Statement are available for inspection by the members at the Company's registered office during business hours on all its working days from the date of dispatch of the Notice till December 19th, 2018.
15. Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ Depository Participant(s) for sending future communication(s) in electronic form.
16. The Scrutinizer's decision on the validity of the postal ballot shall be final.
17. **THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:**
 - i. The voting period begins on Tuesday, November 20th, 2018 (9.00 A.M.) and ends on Wednesday December 19th, 2018 (5.00 P.M.). During this period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. November 9th, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - ii. The shareholders should log on to the e-voting website: www.evotingindia.com.
 - iii. Click on "Shareholders".
 - iv. Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) 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 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. Ex: If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Dividend Bank Details OR Date of Birth (DOB)

Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or in the company records in order to login.

Date of Birth (DOB)

• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach 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 Cadsys (India) Limited 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvii. If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix. **Note for Non – Individual Shareholders and Custodians:**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. 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.

**By order of the Board of Directors of
Cadsys (India) Limited
Sd/-**

Date: November 9th, 2018
Place: Hyderabad

**N.C Padmaja
Whole-Time Director
DIN: 01173673**

BRIEF PROFILE OF MR. APPALACHARYULU CHILAKAMARRI

Mr CA Charyulu is a (FCA) Fellow Member of The Institute of Chartered Accountants of India (ICAI) having 28 years of post-qualification experience in the area of Finance, Direct, Indirect Taxes and Company Law Matters.

His area of experience include Direct and Indirect Taxes including GST, Costing, Internal Audit, Internal Control Systems, Company law matters, Finance Management, Audits of Pharma, Software, ARCs and Banks.

Mr CA Charyulu has served in the Board of Companies like SIRIS Limited, SDI Limited over a period of 18 years. His contribution and efficacy in streamlining compliance and taxation matters for the Companies emerging in Service Sector is immense.