

NOTICE OF EIGHTEENTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Eighteenth Annual General Meeting of the members of Tanla Solutions Limited will be held on Tuesday, September 30, 2014 at 11.30 am at Novotel Hyderabad Convention Centre, Novotel & HICC Complex, Near Hitech City, Madhapur, Hyderabad – 500081, to transact the following business:

ORDINARY BUSINESS:

1.To receive, consider and adopt the Audited Statement of Profit and Loss for the financial year ended March 31, 2014 and the Balance Sheet as at that date together with the Reports of Directors and Auditors thereon.

2.To appoint a Director in place of Mr. Gautam Sabharwal, who retires by rotation and being eligible, offers himself for re-appointment.

3.Appointment of Auditors:

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

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, and as amended from time to time, M/s Ramasamy Koteswara Rao & Co., Chartered Accountants, Hyderabad, bearing Registration number 010396S with the Institute of Chartered Accountants of India, be and they are hereby reappointed as Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting(AGM) till the conclusion of twenty-first Annual General Meeting to be held in 2017 (subject to ratification of their appointment at every AGM), at such remuneration and out-of-pocket expenses as may be determined by the Board of Directors of the Company.”

SPECIAL BUSINESS:

4.To consider and, if thought fit, to pass with or without modification, the following resolution as an Special Resolution:

“RESOLVED THAT, pursuant to Section 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Part II of Schedule V of the Companies Act, 2013, Mr. D. Uday Kumar Reddy, Chairman & Managing Director, be and is hereby paid a remuneration of ₹ 120.00 lakhs per anum as approved by the Remuneration Committee in its meeting dated August 25 , 2014 for a period of three years from the month of October 2014 excluding other benefits, allowances, perquisites.”

“RESOLVED FURTHER THAT, Mr. D. Uday Kumar Reddy, Chairman & Managing Director would be eligible for the following perks as approved by the Remuneration Committee in its meeting dated August 25 , 2014 , in addition to the above mentioned remuneration, as per Section 197 read with Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 or any Statutory modification(s) or re-enactment thereof:

- a. Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per Company Rules.
- b. Gratuity payable at a rate not exceeding half month’s salary for each completed year of service.
- c. Encashment of leave as per the Company’s rules at the end of tenure.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the payment of remuneration, the Company Secretary of the Company be and is hereby authorized on behalf of the company to do all such acts, deeds, things and matters as may be deemed expedient or desirable to give effect to the above said resolution.”

Your Directors recommend that the said resolution may be passed as a Special Resolution.

None of the Directors except Mr. D. Uday Kumar Reddy is interested or concerned in the said resolution.

Mr. D. Uday Kumar Reddy holds 1,44,96,493 equity shares constituting 14.29% of the paid up capital of the company.

5.To appoint a Director in place of Dr. A. G. Ravindranath Reddy (DIN: 01729114) who was appointed as an Additional Director under Article 115 of the Articles of Association of the Company and holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act 2013 and being eligible offers himself for re-appointment and in this regard 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, all other applicable provisions of the Companies Act 2013, and the rules framed there under read with Schedule V to the Companies Act 2013 and Listing Agreement, Dr. A. G. Ravindranath Reddy (DIN: 01729114), in respect of whom the Company received a notice in writing from a member signifying his intention to propose, be and is hereby appointed to the office of Director in the capacity of an Independent Director of the Company to hold office for a term of 1(one) year from the date of this Annual General Meeting, not liable to retire by rotation.”

6.To appoint Padmabhushan Ram Narain Agarwal (DIN: 00003498) as an Independent Director and in this regard 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, all other applicable provisions of the Companies Act 2013, and the rules framed there under read with Schedule V to the Companies Act 2013 and Listing Agreement, Padmabhushan Ram Narain Agarwal (DIN: 00003498), who was earlier appointed as a Director liable to retire by rotation and in respect of whom the Company received a notice in writing from a member signifying his intention to propose, be and is hereby appointed to the office of Director in the capacity of an Independent Director of the Company to hold office for a term of 5(five) years from the date of this Annual General Meeting, not liable to retire by rotation.”

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

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any of the Companies Act, 2013, read with rules made thereunder consent of the members be and is hereby accorded for alteration of Articles of Association by replacing the existing Article 106 of the Articles of Association by new Article as provided below :

Article 106

The Chairman of the Board shall be elected by the Board of Directors from among their numbers. The Chairman shall, subject to the provisions of the Act, be paid such remuneration as the Board may from time to time determine. The Directors shall determine the period for which he is to hold office. If no such Chairman be elected or, if at any meeting the Chairman be not present within fifteen minutes of the appointed time for holding the same, the Director present shall choose one of their number to be a Chairman of such meeting. Any person appointed as the Managing Director or Chief Executive Officer of the Company can also be appointed as Chairman or Chairperson of the Company..

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

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any of the Companies Act, 2013, read with rules made there under consent of the members be and is hereby accorded for alteration of Articles of Association by replacing the existing Article 119 of the Articles of Association by new Article as provided below :

Article 119

The Managing Director shall while he continues to hold that office be required to retire by rotation but shall not be required to hold any qualification shares. If he ceases to hold the office of Director, he shall ipso facto and immediately cease to be a Managing Director.

Place: Hyderabad
Date: August 25, 2014

Registered Office:

Tanla Technology Centre,
Hi-tech City Road,
Madhapur, Hyderabad – 500 081.

By the order of the Board of Directors
For Tanla Solutions Limited
Sd/-
CS Seshanuradha Chava
AVP – Legal & Secretarial

NOTES:

a. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 26th day of September, 2014 to Tuesday, the 30th day of September, 2014 (both days inclusive) for the purpose of Annual General Meeting.

b. Explanatory Statement as required under Section 102(2) of the Companies Act, 2013, in respect of Special Business to be transacted at the Meeting is annexed hereto.

c. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy must be deposited with the Company at its Registered Office not less than 48 hours before the commencement of the Meeting.

d. A person can act as a proxy on behalf of members upto and not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or member.

e. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.

f. The Company's Registrar and Transfer Agents (RTA) for its share registry work (Physical and Electronic) are Karvy Computershare Private Limited.

g. Members can avail of the facility of nomination in respect of securities held by them in physical form pursuant to the provision of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed form duly filled-in to RTA. Members holding shares in electronic mode may contact their respective Depository Participant (DP) for availing this facility.

h. Members are requested to:

- intimate to DP, changes, if any, in their registered address and/or changes in their bank account details, if the shares are held in dematerialized form.
- intimate to the Company's RTA, changes if any, in their registered address, in their bank account details, if the shares are held in physical form (share certificates).
- consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.

- Dematerialize their Physical Shares to Electronic Form (Demat) to eliminate all risks associated with Physical Shares. Our Registrar and Transfer Agents viz., Karvy Computershare Private Limited maybe contacted for assistance, if any, in this regard.

i. Members are requested to refer to the Corporate Governance Report for information in connection with the unpaid / unclaimed dividend liable to be transferred to Investor Education and Protection Fund (IEPF) administered by the Central Government.

j. A brief profile of Directors proposed to be appointed / re-appointed, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange(s) are provided in the Corporate Governance Report forming part of the Annual Report.

k. In order to save the natural resources Members are requested to register their e-mail address/addresses with the Depository Participants, if the shares are held in dematerialized form and with the Company's Registrar & Transfer Agent if the shares are held in physical form, in case you have not registered your email ids till now.

I. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Clause 35 B of the Listing Agreement executed by the company with the BSE Limited and the National Stock Exchange of India Limited, the company is pleased to provide members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Karvy Computershare Private Ltd (KCPL).

A member may exercise his votes at any General Meeting by electronic means and company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014.

PROCEDURE AND INSTRUCTIONS FOR E-VOTING

The procedure and instructions for e-voting are as follows:

- Open your web browser during the voting period and navigate to '<https://evoting.karvy.com>'
- Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your folio/DP Client ID will be

Your User-ID.

User - ID	For Members holding shares in Demat Form:-
	a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID c) For Members holding shares in Physical Form:- <ul style="list-style-type: none"> • Event no. followed by Folio Number registered with the company
Password	Your Unique password is printed on the Postal Ballot Form / via email forwarded through the electronic notice
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

AGM Notice

- iii) Please contact our toll free No. **1-800-34-54-001** for any further clarifications.
- iv) Members can cast their vote online from Thursday , September 25th , 2014@ 09:00 AM to Saturday, September 27th 2014@ 6.00 PM.
- v) After entering these details appropriately, click on “LOGIN”.
- vi) Members holding shares in Demat/Physicalform will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z),one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile #, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vii) You need to login again with the new credentials.
- viii) On successful login, system will prompt to select the 'Event' i.e., ('Company Name').
- ix) If you are holding shares in Demat form and had logged on to “https://evoting.karvy.com” and casted your vote earlier for any company, then your exiting login id and password are to be used.
- x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST'taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'
- xi) 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.
- xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xiii) Corporate/Institutional Members (corporate /FIs/FIIs/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to kvs@rsfcs.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format “Corporate Name_ Event no.....”
- xiv) The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date being Friday, August 22, 2014.
- xv) 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 will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the meeting.

- xvi) The results on resolutions shall be declared at or after the Annual General Meeting of the Company and the results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.tanla.com) and on Karvy's website (<https://evoting.karvy.com>) within two (2) days of passing of the resolutions and communication of the same to BSE and NSE.

The e-voting particulars are communicated in the "Polling Paper" dispatched along with this Annual Report.

During the e-voting period, members of the company holding shares either in physical form or dematerialized form, as on the cut off date i.e., August 22, 2014, (tentative date of dispatch) may cast their votes electronically.

The e-voting period commences at 9.00 am on Thursday 25th September, 2014 and ends at 6.00 pm on Saturday 27th September, 2014. The e-voting module shall be disabled by KCPL for voting thereafter.

Once the vote on a resolution is cast by a shareholder, the shareholder shall not be allowed to change it subsequently.

A copy of this notice has been placed on the website of the Company and the website of KCPL.

Mr. K.V.S. Subramanyam, Practicing Company Secretary (CP No. 4815) and Partner of M/s. Ravi & Subramanyam, Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall 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 on September 30, 2014.

The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.tanla.com and on the website of KCPL within two (2) days of passing of the resolution at the AGM of the Company and communicated to the BSE Limited and National Stock Exchange of India Limited.

By the order of the Board of Directors
For Tanla Solutions Limited
Sd/-
CS Seshanuradha Chava
AVP - Legal & Secretarial

Place: Hyderabad
Date: August 25, 2014

Registered Office:

Tanla Technology Centre,
Hi-tech City Road,
Madhapur, Hyderabad - 500 081.

EXPLANATORY STATEMENT
(Pursuant To Section 102 of The Companies Act, 2013)

Item No.4

The members are being informed that Mr. D. Uday Kumar Reddy was appointed as Chairman & Managing Director of the Company for a period of 5 years with effect from May 15, 2010 at the Annual General Meeting of the Company held on September 30, 2010.

The Board of Directors of the Company considered the nature of services and on the recommendation and resolution passed by Nomination and Remuneration Committee at its meeting held on August 25, 2014 considered for revision in remuneration payable to Mr. D. Uday Kumar Reddy, Chairman & Managing Director from existing annual remuneration of ₹.48 Lakhs to ₹.120 Lakhs P.A. payable for a further period of three years (i.e., from October 01, 2014 to September 30, 2017).

Statement as required under Part II of Section II of Schedule V to the Companies Act, 2013:

1. General Information:			
(1) Nature of Industry:	The Company is telecom products & solutions providing company that specializes in pioneering communication roadmaps and integrating various systems of communication for mobile technology.		
(2) Date or expected date of commencement of commercial production	Certificate of commencement of business certificate was issued by ROC in July 1995		
(3) In case of new companies, expected date of commencement of activities	NA		
(4) Financial performance based on given indicators	Particulars	FY 2013-14	FY 2012-13
		(₹)	(₹)
	Paid up Capital	101,479,593	101,479,593
	Reserves & Surplus	6,049,856,116	6,146,457,605
	Income from operations	257,032,965	272,186,941
	EBIDTA	55,863,987	99,46,777
	Profit before Tax	-93,275,481	-26,120,398
	Profit after Tax	-96,601,490	-17,767,228
(5) Foreign investments, if any	Particulars	As on March 31 2014	As on March 31 2013
		(No. of shares)	(No. of shares)
	Foreign Institutional Investors	621,023	722,023
	Non Resident Indians	1,681,155	1,554,014
	Foreign Nationals	821,807	821,807

The explanatory statement may also be regarded as an abstract of Memorandum under Section 190 of the Companies Act, 2013 (corresponding Section 302 of the Companies Act, 1956) and disclosure under Clause 49 of the Listing Agreement.

Pursuant to Section 297 of the Companies Act, 1956 read with Schedule V to the Companies Act, 2013, approval of members is required by way of Special Resolution for payment of aforesaid remuneration to Mr. D. Uday Kumar Reddy, Chairman & Managing Director of the Company.

Your Directors recommend that the said resolution for your approval.

Save and except Mr. Mr. D. Uday Kumar Reddy and Mrs D. Tanuja Reddy, being his relative none of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way concerned or interested, financially or otherwise, in the above resolution set out in the Notice except to the extent of their shareholding.

Information about the appointee:

(1) Background details

Mr .D .Uday Kumar Reddy holds an MBA from University of Manchester, UK and is the founder promoter of Tanla Solutions Limited. He is the chief architect of the company, besides being responsible for its meteoric rise from a mere products-based solution provider to one of the largest publicly traded Mobile VAS software company, specializing in wireless data services for mobile messaging and billing.

(2) Past remuneration

The shareholders in the 17th AGM approved an annual remuneration of ₹48.00 Lakhs for a period of 3 years from October 2013.

(3) Job Profile and his suitability

Uday's keen business acumen and a sharp focus on innovation combined with an urge to set new milestones in business and technology have been the key drivers of the company's success. An active member in the M&A community, he has been leading discussions across the globe regarding potential alliances and M&A opportunities. It is little wonder that within a decade of its inception, he has led Tanla to dizzying heights as one of the most successful young IT companies in India with a global presence.

(4) Remuneration Proposed

The Nomination and Remuneration Committee in its meeting held on August 25, 2014 proposed an Annual Remuneration of ₹ 120.00 lakhs for a period of 3 years from October 2014 subject to the approval of members by passing Special Resolution in the ensuing 18th Annual General Meeting.

(5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

The indicative salary range for this role, based on the study conducted by the Company is ₹ 150.00 Lakhs to ₹ 450.00 Lakhs which includes annual cash and bonus, as applicable. Considering the current financial position of the Company, the Board has deemed it fit to approve a annual remuneration of ₹ 120.00 Lakhs, excluding perquisites mentioned in Schedule V of the Companies Act 2013.

(6) Pecuniary relationship

There is no pecuniary relationship either directly or indirectly with the company, or relationship with the managerial personnel except with Mrs. D. Tanuja Reddy, the co-promoter of Tanla Solutions Limited. In addition Mr. D. Uday Kumar Reddy holds 144,96,493 equity shares constituting 14.29% of the paid up capital of the Company. Mrs. D. Tanuja Reddy holds 9,319,271 equity shares constituting 9.18% of the paid up capital of the Company.

Other information

(1) Reasons for loss or inadequate profits

The domestic revenue in India has increased from ₹ 2,451.83 Lakhs to ₹ 2,538.55 Lakhs registering an increase of 3.5%, while the total revenues have decreased from ₹ 2,721.86 Lakhs to ₹ 2,570.32 Lakhs on account of decrease in overseas revenue. The Company has reduced its exposure in the overseas market on account of continuing impact of stringent regulations in overseas market as evidenced by decreased overseas revenue from ₹ 270.03 Lakhs to ₹ 31.78 Lakhs. The increase in domestic market is on account of consolidating the Company's position with launch of new verticals and products.

AGM Notice

For the year ended on March 31, 2014, the Company reported loss of ₹ 9,66.01 Lakhs the total remuneration payable to all the Managerial personnel cannot exceed ₹ 60.00 Lakhs per annum as per Part II of Schedule V of the Companies Act, 2013, this limit can be doubled if the shareholders' pass a special resolution in the ensuing Annual General Meeting. Nomination and Remuneration Committee has been authorized to review and fix monthly salary and also to determine performance linked incentives including commission, either on quarterly, half yearly or yearly basis, considering the maximum remuneration payable under Section 197 read with Schedule V of Companies Act, 2013. The Nomination and Remuneration Committee thus met on August 25, 2014 and passed a resolution approving the proposed salary payable.

(2) Steps taken or proposed to be taken for improvement

In messaging services the Company has launched a new solution for A2P messaging which is slated to increase the market share going forward. The Company has partnered with leading telecom service providers in India and this is expected to result in substantial growth in revenues and margin. The Company has diversified into m-commerce and tied up with leading payment gateway in US which is expected to generate revenues in the coming quarters.

(3) Expected increase in productivity and profits in measurable terms

The Company expects to generate increased revenues in the coming years

Item No.5

The Board of Directors of the Company, pursuant to the provisions of Section 260 of the Companies Act, 1956 and the article number 115 appointed Dr. A.G.Ravindranath Reddy as an Additional Director of the Company with effect from January 29, 2014.

In terms of the provisions of Section 161(1) of the Companies Act, 2013, Dr. A.G.Ravindranath Reddy would hold office up to the date of the ensuring Eighteenth Annual General Meeting. Based on the disclosures received from Dr. A.G.Ravindranath Reddy, the Board is satisfied that Dr. A.G.Ravindranath Reddy meets the criteria for independence as laid down in Section 149(6) of the Companies Act, 2013 and he is not disqualified as contemplated under Section 164 of the Companies Act, 2013.

A detailed profile of Dr. A.G.Ravindranath Reddy as required under Clause 49 IV(G) of the Listing Agreements attached to this Notice. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Dr. A.G.Ravindranath Reddy for the office of Director of the Company.

In the opinion of the Board, Dr. A.G.Ravindranath Reddy fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Dr. A.G.Ravindranath Reddy is independent of the management.

Brief resume of Dr. A.G.Ravindranath Reddy, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Dr. A.G.Ravindranath Reddy is appointed as an Independent Director. Save and except Dr. A.G.Ravindranath Reddy and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice. Dr. A.G.Ravindranath Reddy does not hold equity shares of the company. Your Directors commend this resolution for approval of the shareholders as an ordinary resolution.

Item No. 6

Padmabhushan Ram Narain Agarwal Ram Narain Agarwal is serving on the Board of your company as Independent Director in compliance to the Clause 49 of the Listing Agreement with NSE and BSE.

Based on the disclosures received from Padmabhushan Ram Narain Agarwal, the Board satisfied that Padmabhushan Ram Narain Agarwal meets the criteria for independence as laid down in Section 149(6) of the Companies Act, 2013 and he is not disqualified as contemplated under Section 164 of the Companies Act, 2013.

A detailed profile of Padmabhushan Ram Narain Agarwal as required under Clause 49 IV(G) of the Listing Agreements attached to this Notice. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Padmabhushan Ram Narain for the office of Director of the Company.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and be eligible for re-appointment on passing a special resolution by the Company for a further period of 5 years and he shall not be included in the total number of directors for retirement by rotation.

In the opinion of the Board, Padmabhushan Ram Narain Agarwal (DIN: 00003498) fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Padmabhushan Ram Narain Agarwal (DIN: 00003498) is independent of the management.

Brief resume of Padmabhushan Ram Narain Agarwal, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Padmabhushan Ram Narain Agarwal is appointed as an Independent Director.

Save and except Padmabhushan Ram Narain Agarwal and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice. Padmabhushan Ram Narain Agarwal do not hold equity shares of the company. Your Directors commend this resolution for approval of the shareholders as an ordinary resolution.

Item No.7

As per the provisions of Section 203 of the Companies Act, 2013, any person shall be appointed as chairperson of the company as well as the managing director or chief executive officer of the Company, at the same time unless, the Articles of the Company provides.

As Mr. D. Uday Kumar Reddy is acting as both Chairman and Managing Director of the Company it is proposed to alter the article 106 of the Articles of Association to enable the appointment of same person as the Chairman and Managing Director.

Pursuant to Section 14 of the Companies Act, 2013, approval of members is required by way of Special Resolution for alteration of Articles of Association.

Your directors recommend the aforesaid resolution for your approval.

AGM Notice

Except Mr. D. Uday Kumar Reddy, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financial or otherwise, in the resolution except to the extent of their shareholding.

Item no. 8

Section 152 of the Companies Act, 2013, states, not less than two-thirds of the total number of directors of a public company shall be liable to retire by rotation and further provides that “total number of directors” shall not include independent directors as defined under Sec 149 of the Companies Act, 2013. In order to comply with the aforesaid provisions of the Companies Act, 2013, it is proposed to amend the Articles of Association to provide that the Managing Director or Joint/Deputy Managing Director shall also be liable to retire by rotation.

Accordingly, it is proposed to amend Article 119 of the Articles of Association as set out in Item No.8 of this Notice.

Pursuant to Section 14 of the Companies Act, 2013, approval of members is required by way of Special Resolution for alteration of Articles of Association.

Your directors recommend the aforesaid resolution for your approval.

Except Mr. D. Uday Kumar Reddy, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financial or otherwise, in the resolution except to the extent of their shareholding

Place: Hyderabad
Date: August 25, 2014

Registered Office:
Tanla Technology Centre,
Hi-tech City Road,
Madhapur, Hyderabad - 500081.

By the order of the Board of Directors
For Tanla Solutions Limited
Sd/-
CS Seshanuradha Chava
AVP - Legal & Secretarial

DETAILS PURSUANT TO CLAUSE 49 IV (G) (I) OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT**Mr. Gautam Sabharwal**
Director – Global Business Development

Mr. Gautam Sabharwal, Director - Global Business Development, joined Tanla in 2004. Prior to this, he founded Techserve which was merged with Tanla in 2004. His vast experience includes several years of running successful business in the telecom services markets of Europe and long-term strategy planning along with knowledge of the core business.

He holds Masters Degree in Management from Westminster Business School, United Kingdom.

Dr. A.G.Ravindranath Reddy
Independent Director

Dr. A.G.Ravindranath Reddy is a Practicing Company Secretary and Corporate Consultant. He is associated with various companies. His vast experience includes advising listed companies under the SEBI Guidelines.

He is a Post Graduate in Commerce, a Fellow Member of the Institute of Company Secretaries of India, with a Doctorate on the topic “Role of Shareholders in Corporate Governance”.

Padmabhushan Ram Narain Agarwal
Independent Director

Padmabhushan Ram Narain Agarwal joined Tanla in 2005. Prior to this, he worked as Program Director (AGNI) and as a Director, Advanced Systems Laboratory and DRDO. He is a Distinguished Scientist. He has four decades of experience in Missile Technology.

He holds Bachelors degree in Engineering from Madras Institute of Technology, a Masters Degree in Engineering from Aero-Indian Institute of Science, Bangalore and also holds Fellow Membership in the Indian National Academy of Engineering and Aeronautical Society of India.

He is the recipient of Padmashree in the year 1990 and Padmabhushan in the year 2000.

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