

TANLA SOLUTIONS LIMITED

CIN: L72200AP1995PLC021262

Registered Office: Tanla Technology Centre, Hitech City Road, Madhapur, Hyderabad-500081, Telangana

Ph: +91 400 99 999, Email: anuradha.chava@tanlasolutions.com, Website: www.tanla.com

**To
The Members of the Company**

NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013, READ WITH RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014

Notice is hereby given to the members, pursuant to Section 110 of the Companies Act, 2013 (the “**Act**”, which shall include any statutory modifications, amendments or re-enactments thereto) read with Rule 22 of the Companies (Management and Administration) Rules, 2014, (the “**Rules**”, which shall include any statutory modifications, amendments or re-enactments thereto) and Clause 35B of the listing agreement executed with the stock exchanges on which equity shares of the Company are listed for seeking Shareholders’ consent to pass the proposed Special Resolution as set out below by way of Postal Ballot.

The Board of Directors of the Company has proposed to obtain the consent of the Shareholders for the matter as considered in the Resolutions appended below. Thus in terms of Section 110 of the Companies Act, 2013 read with the Rules so as to facilitate wider participation in the approval process by the Shareholders residing at different locations it is proposed to obtain their consent by way of postal ballot instead of convening a General Meeting of the Shareholders. The Resolution is appended below and the Explanatory Statement pursuant to Section 102 of the Companies Act pertaining to the said Resolution setting out material facts and the reasons for the Resolutions is also annexed.

You are requested to read carefully the instructions printed on the enclosed Postal Ballot Form and return the form duly completed, in the attached self addressed postage pre-paid envelope, so as to reach the Scrutinizer at the address of the Scrutinizer i.e. on or before the close of working hours (05.00 P.M.) on 18/12/2015. You have the option to vote either by Postal Ballot or through Remote e-voting, the detailed procedure for which is set out in the Postal Ballot Form.

The Scrutinizer will submit her report to the Chairman, after the completion of the scrutiny. The result of the postal ballot and Remote e-voting will be declared by the Chairman on receipt of the report from the Scrutinizer on 19/12/2015 at 5 PM. at the Registered Office of the Company at Tanla Technology Centre, Hitech City Road, Madhapur, Hyderabad-500081, Telangana.

The results shall also be announced to the Stock Exchange and on company’s website: www.tanla.com. The resolutions, if approved, will be passed effectively on the date of declaration of results. Karvy Computer Share Private Limited, engaged by the Company for facilitating Remote e-voting, will also display these Results on its website.

SPECIAL BUSINESS

1. TO CONSIDER AND APPROVE ISSUE OF SHARE WARRANTS

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 62, read with Section 42, and other applicable provisions of the Companies Act, 2013, if any, and the Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force) (the “**Act**”) and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the listing agreements entered into by the Company with the stock exchanges, where the shares of the Company are listed, provisions of Chapter VII – “Preferential Issue” and other applicable provisions, if any, of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as may be modified or re-enacted from time to time (hereinafter referred to as the “ICDR Regulations”), and any other Rules / Regulations / Guidelines, if any, prescribed by the Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges and/or any other statutory / regulatory authority whether in India or abroad, and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the appropriate authorities, institutions or bodies as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s), and/or sanction(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as ‘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 powers conferred by this resolution), the consent of the Company be and is hereby accorded to create, offer, issue and allot 99,99,999 (Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Ninety Nine) Warrants, at such price as may be arrived at in accordance with the ICDR Regulations (“Issue Price”), to be convertible at the option of Warrant holders in one or more tranches, within 18 (Eighteen) months from the date of allotment, into equivalent number of fully paid up Equity Share of the Company of face value of Re.1 (Rupee One) each, ranking in all respects *pari-passu* with the existing equity shares of the Company, to Promoters at such price (including premium) being not less than the price determined in accordance with Chapter VII of SEBI (ICDR) Regulations, 2009, on preferential allotment basis to the Promoters in such manner and on such other terms and conditions, as the Board may, in its absolute discretion, think fit.”:

“**RESOLVED FURTHER THAT** aforesaid issue of Warrants shall be subject to the following terms and conditions:

A. The proposed allottees of Warrants shall, on the date of allotment of Warrants, pay an amount equivalent to at least 25% of the exercise price determined in compliance with the provisions of the SEBI (ICDR) Regulations, 2009.

B. The balance 75% of the exercise price shall be payable on or before the conversion of said Warrants into Equity Shares, within a maximum permissible period of 18 months from the allotment thereof.

C. The proposed allottees of Warrants will be entitled to apply for and obtain allotment of one equity share of face value of Re.1 (Rupee One) each of the Company against each Warrant at any time after the date of allotment but on or before the expiry of 18 (Eighteen) months from the date of allotment thereof, in one or more tranches.

D. Warrants and/or the equity shares to be allotted upon conversion shall be under lock in for such periods as may be prescribed by the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

E. Warrants so allotted under this resolution shall not be sold or transferred, in any manner during the period of lock-in as provided under SEBI (ICDR) Regulations except to the extent and in the manner permitted there under.

“RESOLVED FURTHER THAT in accordance with Regulation 71(a) of the ICDR Regulations, the “Relevant Date”, for determining the minimum price of the Share Warrants being allotted to the Proposed Allottees, on a preferential basis, is 18.11.2015, being the date which is 30 (Thirty) days prior to the date when the results of this postal ballot are announced.”

“RESOLVED FURTHER THAT the equity shares proposed to be so allotted shall rank *pari passu* in all respects including as to dividend, with the existing fully paid up equity shares of the Company, subject to the relevant provisions contained in the Memorandum and Articles of Association of the Company.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized, on behalf of the Company, to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient to the issue or allotment of aforesaid Warrants and listing of the Equity Shares issued on conversion of said warrants with the stock exchange(s), and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of any of the said Warrants, the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred by this resolution on it, to any Committee of Directors, any other Director(s) or officer(s) of the Company to give effect to the aforesaid resolution.”

“RESOLVED FURTHER THAT the Directors be and are hereby severally authorized to do all such other acts, deeds and things and sign and execute and file such papers and documents as may be necessary to give effect to this resolution and for matter connected therewith or incidental thereto.”

By Order of the Board
for **TANLA SOLUTIONS LIMITED**

Sd/-
CS Seshanuradha Chava
(ACS 15519)
AVP- Legal & Secretarial

Registered Office:

Tanla Technology Centre,
Hitech City Road,
Madhapur,
Hyderabad-500081,
Telangana, India

Date: 18.11.2015
Place: Hyderabad

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts relating to the Special Business to be transacted through postal ballot is annexed hereto and forms part of this notice.
2. A copy of this notice has been placed on the website of the Company www.tanla.com and shall remain on the website until the last date for receipt of the postal ballots from the shareholders.
3. The postal ballot form and the self addressed business reply envelope are enclosed for use of members.
4. The notice is being sent to all the members, whose names appear on the Register of Members / List of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) on 13.11.2015.

5. Shareholders who have registered their e-mail IDs with their Depository Participants are being sent Notice of Postal Ballot by e-mail and Shareholders who have not registered their e-mail id will receive Notice of Postal Ballot along with Postal Ballot Form.
6. Kindly note that the Shareholders can opt only one mode of voting, i.e., either by Physical Ballot or remote e-voting. If members are opting for remote e-voting, then do not vote by Physical Ballot also and vice versa. However, in case Shareholders cast their vote by Physical Ballot and remote e-voting, then voting done through valid Physical Ballot shall prevail and voting done by remote e-voting will be treated as invalid.
7. The Company has appointed Ms. Kritika Sharma, Practicing Company Secretary, Hyderabad as Scrutinizer for conducting the Postal Ballot and remote e-voting process in a fair and transparent manner. The scrutinizer will submit her report after completion of the scrutiny and the results of the postal ballot will be displayed at the Registered Office of the Company. The results of the postal ballot will also be posted on the Company's website www.tanla.com besides communicating to the stock exchanges on which the shares of the Company are listed.
8. Shareholders are requested to read carefully the instructions printed on the postal ballot form, return the form duly completed in the attached self-addressed pre-paid postage envelope, so as to ensure that votes reach the Scrutinizer on or before 5.00 P.M. on the 18/12/2015, ("**Last Date**"). The postage cost will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered / speed post at the expense of the Shareholders will also be accepted.
9. Shareholders who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form sent along with the email or download from the link <https://evoting.karvy.com/> or from the website of the Company www.tanla.com or seek duplicate Postal Ballot Form from Karvy Computer Share Private Limited, Registrar and Share Transfer Agents of the Company, fill in the details and send the same to the Scrutinizer.
10. The Scrutinizer will submit her report to the Chairman. Upon completion of the scrutiny of the postal ballot votes, the result of the postal ballot will be announced by the Chairman. The Special Resolution, if approved, will be taken as passed effectively on the date of declaration of result.
11. The documents referred to in this notice and explanatory statement are open for inspection by the shareholders at the registered office of the Company on all working days of the Company (except Saturdays, Sundays and any Public Holidays) between 11 A.M. and 5.00 P.M. up to 18.12.2015.

12. The Scrutinizer's decision on the validity of the postal ballot shall be final and binding.
13. Please note that any postal ballot form(s) received after the Last Date (i.e. 18/12/2015) will be treated as not having been received.
14. In compliance with Clause 35B of the Equity Listing Agreement and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, if any, the Company is pleased to offer the option of remote e-voting facility to all the Shareholders of the Company ("Remote E-Voting").
15. As required by Rule 22 of the Companies (Management and Administration) Rules, 2014, details of dispatch of Notice and Postal Ballot Form to the Shareholders will be published in at least one English language and one vernacular language newspaper circulating in Hyderabad, Telangana.

The instructions for the members for remote e-voting are as under:

- i. The voting period begins at 9 A.M. on 19/11/2015 and ends at 5 P.M. on 18/12/2015. During this period shareholder of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. 13.11.2015 (End of Day) may cast their votes electronically. The remote e-voting module shall be disabled by Karvy Computer Share Private Limited for voting thereafter.
- ii. The shareholders should log on to the e-voting website <https://evoting.karvy.com> during the voting period.
- iii. Click on the "Shareholders" tab.
- iv. Now select the "TANLA SOLUTIONS LIMITED" from the drop down menu and click on "SUBMIT".
- v. 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.
- vi. Next enter the Image Verification as displayed and Click on Login
- vii. If you are holding shares in demat form and had logged on to <https://evoting.karvy.com> and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

INSTRUCTIONS FOR E-VOTING

1. Open your web browser during the voting period and navigate to <https://evoting.karvy.com>.
2. Enter the Login credentials (i.e., User Id & Password) mentioned on the email /Postal Ballot Form received by you.
In case you are already registered with Karvy, you can use your existing user id and password for casting your vote.

User-ID	For Members holding Shares in Demat Form (Electronic Mode): <ul style="list-style-type: none">- For NSDL: 8 Character DP-ID (Starts with "IN") followed by 8 Digits Client ID.- For CDSL: 16 Digits beneficiary ID. For Members holding Shares in Physical Form: <ul style="list-style-type: none">- Event Number 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.

3. Members can cast their vote online

From: Thursday, November 19, 2015 (9.00 a.m.)
To: Saturday, December 18, 2015 (5.00 p.m.)

Thereafter the e-voting module will be disabled by Karvy for voting.

4. After entering these details appropriately, click on "LOGIN".
5. Members holding shares in Demat/Physical form 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 (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of the Company or 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 no., email ID, etc. on first 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.

6. You need to login again with the new credentials.
7. On successful login, system will prompt to select the "EVENT" i.e., Tanla Solutions Limited.
8. On the voting page, you will see Resolution Description and against the same the option "FOR/AGAINST/ABSTAIN" for voting. 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. Once you have voted on the resolution, you will not be allowed to modify your vote.
9. In case of shares held by companies, trusts, societies, etc., the duly completed postal ballot form should be accompanied by a certified true copy of the resolution of its Board of Directors / authority Letter authorizing the person to represent in terms of Section 113 of the Companies Act, 2013 read Shareholder voting through e-voting mode should send a scanned copy (PDF/JPG Format) of the aforesaid document(s) together with attested specimen signature of the duly authorized signatory(ies) to the Scrutinizer through e-mail on einward.ris@karvy.com with a copy marked to evoting@karvy.com.
10. Please contact Karvy toll free No. 1-800-34-54-001 for any further clarifications or may refer the Frequently Asked Questions (FAQs) for Members and e-Voting User manual for Members available at the "Downloads" section of <https://evoting.karvy.com>.
11. Voting can be exercised only by the shareholder or his/her duly constituted attorney or in case of bodies corporate, the duly authorized person.
12. Members holding shares either in physical form or in dematerialized form may cast their vote electronically.
13. Those Members who have not registered their email ID, are requested to register their e-mail id with their respective Depository Participant, in case the shares are held in demat mode and in case the shares are held in physical form to the Registrar and Transfer Agent (R&TA), Karvy Computershare Private Limited, Unit: Tanla Solutions Limited, Karvy Selenium Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032.

**ANNEXURE TO AND FORMING PART OF THE NOTICE CONVENING THE
EXTRAORDINARY GENERAL MEETING OF THE COMPANY.**

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

AGENDA ITEM No. 1:

With a view to augment funds for business expansion, the Board of Directors has approved the proposal of making preferential allotment of warrants to the Promoters. In its meeting held on November 18th, 2015, it has approved preferential allotment of 99,99,999 (Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Ninety Nine) Warrants at such price as may be arrived at in accordance with the ICDR Regulations (“Issue Price”), convertible at the option of Warrant holders in one or more tranches, within 18 (Eighteen) months from the date of allotment, into (1) one number of fully paid up Equity Share of the Company of Re.1 (Rupees One) each, per Warrant.

In terms of Section 62(1)(c) read with Section 42 of the Companies Act, 2013 and Rules made there under (the “Act”), a company can undertake preferential allotment / private placement only after obtaining prior approval of the shareholders by way of special resolution in terms of Section 42 and 62(1)(c) of the Companies Act, 2013 read with provisions of Chapter VII “Preferential Issue” of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the “ICDR Regulations”), as amended, and on the terms and conditions and formalities as stipulated in the Act and the ICDR Regulations.

The following details of the proposed preferential issue of the equity shares are disclosed in accordance with the provisions of the Act and the ICDR Regulations, as amended from time to time:

1. Objects of the issue:

Tanla Solutions Limited is one of the growing software companies in India and to augment resources for business expansion, the Company has proposed preferential issue of Warrants to Promoters.

2. Intention of promoters/directors/ key management persons to subscribe to the offer:

To meet the objects of the issue, the Promoters have shown their interest to subscribe to the warrants.

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3. Relevant Date:

The Relevant Date for the purpose of determining the pricing of shares arising out of Warrants in accordance with Chapter VII of SEBI (ICDR) Regulations, 2009 is 18/11/2015 (i.e. 30 days prior to the declaration of Postal Ballot Result, i.e. 19/12/2015).

The Warrants will be allotted in accordance with the price determined in terms of Regulation 76 of the SEBI (ICDR) Regulations, 2009.

4. Pricing of the Issue

The issue of warrants and equity shares arising through issuance will be at a price not less than higher of following:

- a) The average of the weekly high and low of the Volume weighted average price of the Company's Shares quoted on the Stock Exchange during the twenty six weeks preceding the 'relevant date'.
- b) The average of the weekly high and low of the Volume weighted average price of the Company's Shares quoted on a Stock Exchange during the two weeks preceding the 'relevant date'.

The price above is determined on the basis of the quotes available on the Bombay Stock Exchange Limited, wherein the Company shares are traded highest in volume, during the preceding 26 weeks prior to the relevant date.

The issue price is at a minimum exercise price as may be arrived at in accordance with the ICDR Regulations (“Issue Price”), at the relevant date in 18/11/2015

5. The Company hereby undertakes that:

- a) It would re-compute the price of the Securities specified above in terms of the provisions of the SEBI (ICDR) Regulations, 2009 if it is required to do so.
- b) If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, 2009, the above specified securities shall continue to be locked in till the time such amount is paid by allottees.

6. Shareholding Pattern of the Company before and after the issue:

The Shareholding pattern giving the present position as also considering full allotment of Warrants to Promoters and/or Non-Promoter Group and equity shares arising out of the conversion thereof, as per Resolution of the Notice is given below:

Name of the Shareholders	Pre issue shareholding		Preferential Issue	Post Issue Shareholding	
	No. of Shares held	% of Shares	No. of Share	No. of shares held	% of Shares
(A) Promoters' Shareholding					
Promoter & Promoter Group					
(1) Indian					
(a) Individuals / HUF	31177364	30.72	99,99,999	41177363	36.94
(b) Central Govt. / State Govt.	--	--	--	--	--
(c) Bodies Corporate	--	--	--	--	--
(d) Financial Institutions / banks	--	--	--	--	--
(e) Any Other (Specify)	--	--	--	--	--
Sub Total (A) (1)	31177364	30.72	--	41177363	36.94
(2) Foreign					
(a) Individuals (Non-Residents Individuals/ Foreign Individuals)	--	--	--	--	--
(b) Bodies Corporate	--	--	--	--	--
(c) Institutions	--	--	--	--	--
(d) Any Other (Specify)	--	--	--	--	--
Sub Total(A)(2)	--	--	--	--	--
Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	31177364	30.72	---	41177363	36.94
(B) Public shareholding	--	--	--	--	--
(1) Institutions	--	--	--	--	--
(a) Mutual Funds/ UTI	--	--	--	--	--
(b) Financial Institutions / Banks	73971	0.07	--	73971	0.06

(c) Central Government/ State Government(s)	--	--	--	--	--
(d) Venture Capital Funds	--	--	--	--	--
(e) Insurance Companies	--	--	--	--	--
(f) Foreign Institutional Investors	80023	0.08	--	80023	0.07
(g) Foreign Venture Capital Investors	--	--	--	--	--
Sub-Total (B)(1)	153994	0.15	--	153994	0.13
B 2 Non-institutions					
(a) Bodies Corporate	10708554	10.55		10708554	9.61
(b) Individuals					
(i) Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	40598212	40.01	--	40598212	36.42
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	16535053	16.29	--	16535053	14.83
(d) Others	2306416	2.27	--	2306416	2.07
Sub-Total (B)(2)	70148235	69.13	--	70148235	62.93
Total Public Shareholding (B)(1)+(B)(2)	70302229	69.28	--	70302229	63.06
TOTAL (A)+(B)	101479593	100	--	111479592	100

Presumption: Post Shareholding pattern has been prepared on the assumption the entire Warrants shall be converted into equity shares, in one or more tranches. This may, however, vary depending upon any other corporate action in between.

7. Proposed time within which the allotment shall be completed

In terms of Regulation 74(1) of the ICDR Regulations, preferential allotment pursuant to the special resolution will be completed within a period of fifteen (15) days from the date of passing of such resolution provided that where the allotment is pending on account of pendency of any

application for approval or permission by any Regulatory Authority, if applicable, the allotment would be completed within 15 days from the date of such approval.

8. The identity of the natural persons, who are ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue that may be held by them and change in control, if any, in the Company consequent to the preferential issue, is as follows:

Name of the proposed allottee	Category	Pre issue shareholding		Number of Equity warrants proposed to be allotted	Post Issue Share holding after conversion of the Warrants	
D. Uday Kumar Reddy	Promoter	1,43,96,493	14.29	50,00,000	1,93,96,493	17.40
D Tanuja Reddy	Promoter	93,19,271	9.18	49,99,999	1,43,19,270	12.84
Total					33715763	

Note: (i) Post Shareholding pattern has been prepared on the assumption that the entire Warrants shall be converted into equity shares, in one or more tranches. This may, however, vary depending upon any other corporate action in between.

(ii) The post issue paid-up capital of the Company is subject to alterations on account of exercise of options granted under existing ESOP Schemes of the Company, if any as well as under any new ESOP / ESPS Schemes and consequently the post-issue shareholding percentage of the Proposed Allottee(s) mentioned above may also stand altered.

9. Auditor's Certificate:

A Certificate from M/s Ramasamy Koteswara Rao & Co, Chartered Accountants, Hyderabad (Firm Regn. number (010396S), certifying that the preferential issue is being made in accordance with the requirements contained in SEBI (ICDR) Regulations, 2009 shall be placed on the website of the Company and will be available for inspection at the registered office of the company on all working days, except Saturdays, Sundays and Public Holidays, till the last date for receipt of the postal ballot forms from the shareholders.

10. Conversion of Period

Warrants holder shall be entitled to apply for the equity shares within specified period of 18 (eighteen) months from the date of allotment.

11. Terms of Payment

An amount equivalent to 25 (twenty five) per cent of the issue price shall be payable on subscription to the warrants.

The warrant holders shall be entitled to apply for and be allotted, in one or more tranches, one equity share of the face value of Re. 1 (Rupees One) each of the Company per warrant, any time after the date of allotment of such warrants. Upon exercise of the right to apply for equity shares, the warrant holders will be liable to make the payment of the balance amount, being 75 (Seventy Five) per cent of the issue price. The amount paid will be adjusted / set off against the issue price of the resultant equity shares. The Board (or a Committee thereof) upon receipt of the entire payment towards issue price, shall allot one equity share per warrant. If the entitlement against the warrants to apply for the equity shares is not exercised within the specified period of 18 months, such entitlement shall lapse and the amount paid on such warrants shall stand forfeited.

12. Lock-in

a) Warrants, being allotted to promoter(s), shall be locked in for a period of 3 (three) years and the Equity Shares allotted pursuant to the conversion of these warrants shall be put under fresh lock in for a period of 3 (three) years from the date of trading approval granted in respect of such equity shares or such other period as may be prescribed by the SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2009.

b) Warrants allotted, if any to Non-Promoters shall be locked in for a period of 1 (one) year and the equity shares allotted pursuant to the conversion of these warrants shall be put under fresh lock in for a period of 1 (one) year from the date of trading approval granted in respect of such equity shares or such other period as may be prescribed by the SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2009.

13. Consequential Changes in the Voting Rights

Voting rights will change in tandem with the shareholding pattern. However, there shall not be any change in the management control of the Company.

14. Change in Management/ Control

The issue of Warrants and their conversion into equivalent number of equity shares will not result in any change in the management or control of the Company.

As it is proposed to issue and allot the aforesaid securities on preferential basis, special resolution is required to be passed by members pursuant to the provisions of Section 62 of the Companies Act, 2013 and Chapter VII of the SEBI (ICDR) Regulations, 2009.

15. Number of persons to whom allotment on preferential basis has been made in terms of number of securities as well as price:

Post 31st March, 2015 and up to the date of this Notice, the following preferential allotments have been made:

Date of allotment	No. of Securities allotted	Issue Price	No. of allottee(s)	Type of Security
----NIL---				

None of the Directors, Key Managerial Personnel of the Company or their relatives except to the extent of their respective shareholding are deemed to be interested or concerned in the said Special Resolution.

The Board of Directors of the Company recommends the Resolution to be passed as a Special Resolution as set out in Item No. 1 of the accompanying Notice for approval of the members through Postal Ballot.

Sd/-
CS Seshanuradha Chava
(ACS 15519)
AVP- Legal & Secretarial

Registered Office:

Tanla Technology Centre,
Hitech City Road,
Madhapur,
Hyderabad-500081,
Telangana, India

Date: 18.11.2015

Place: Hyderabad

TANLA SOLUTIONS LIMITED

CIN: L72200AP1995PLC021262

Registered Office: Tanla Technology Centre, Hitech City Road, Madhapur, Hyderabad-500081, Telangana

Ph: + 91 400 99 999, Email: anuradha.chava@tanlasolutions.com, Website: www.tanla.com

POSTAL BALLOT FORM

1.	Name(s) of shareholder(s) (including Joint holders, if any) (in Block Letters)	
2.	Registered address of the sole/first named shareholder	
3.	Registered folio No./DO ID No./Client ID No.* (* Applicable to investors holding Shares in dematerialized form)	
4.	Number of shares held	

I / We hereby exercise my / our vote in respect of the Resolution to be passed through postal ballot for the business stated in the notice of the Company by sending my / our assent or dissent to the said resolution by placing the tick (✓) mark at the appropriate boxes below.

Description	No. of Shares held	I / We assent to the resolution	I / We dissent to the resolution
To consider and approve issue of share warrants			

Place:

Date:

(Signature of the Member/Beneficial Owner)

Note : Please read the instructions printed below carefully before exercising your vote. Last date for receipt of Postal Ballot Form duly filled in and signed by the Scrutinizer is 18/12/2015

INSTRUCTIONS:

1. Pursuant to the provisions of Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration Rules, 2014), assent or dissent of the Shareholders in respect of the Resolutions contained in the postal ballot notice is being sought through the postal ballot process.
2. A shareholder entitled to vote and desiring to exercise his/her vote by postal ballot may complete this postal ballot form (no other form or photocopy thereof is permitted) and send it to the Scrutinizer in the attached self-addressed book post. Postage will be borne and paid by the Company. However envelopes containing postal ballot forms, if sent through courier at the expense of the shareholder, will also be accepted. It is however clarified that Shareholders desiring to exercise their vote from outside India will have to arrange for postage form the country where the postal ballot form is dispatched to the Scrutinizer.
3. The attached self-addressed book post bears the name and address of the Scrutinizer appointed by the Board of Directors of the Company.
4. The postal ballot form must be completed and signed by the shareholder. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the Company) by the first named shareholder and in his absence, by the next named shareholder. Please note that postal ballot shall not be signed by proxy.
5. The consent must be accorded by recording the assent in the column 'FOR' and dissent in the column 'AGAINST' by placing tick mark (✓) in the appropriate column.
6. Incomplete, unsigned or incorrectly filed postal ballot forms will be rejected. The Scrutinizer's decision on the validity of the postal ballot will be final and binding.
7. Duly completed postal ballot form should reach the Scrutinizer on or before 5:00 p.m. on **18/12/2015**. Postal ballot forms received after this date will be strictly treated as if reply from the shareholder has not been received.
8. In case of shares held by companies, trusts, societies etc. the duly completed postal ballot form should be accompanied by a certified copy of the board resolution/authority. If the postal ballot form is signed by 'Power of Attorney' holder for and on behalf of the Shareholder, it must be accompanied by an attested true copy of such 'Power of Attorney'.
9. Voting Rights shall be reckoned on the paid up value of the equity shares registered in the name of the shareholders as on 13.11.2015.
10. Shareholders are requested not to send any paper along with postal ballot form in the enclosed self-addressed book post as the book post will be sent to the Scrutinizer and any extraneous paper found in the envelope would not be acted upon and destroyed by the Scrutinizer.
11. There will be one postal ballot form for every 'Registered Folio', irrespective of the number of joint holders.
12. A shareholder/beneficiary may request for a duplicate postal ballot form, if so required. However, the duly completed duplicate postal ballot form should reach the Scrutinizer not later than the date and time specified in Point No. 7.
13. Shareholders are requested to fill the postal ballot form with indelible ink and not by any erasable writing mode.
14. The Chairman and in his absence any person authorized by the Board of Directors will announce the result of the postal ballot at the registered office of the Company at Tanla Technology Centre, Hitech City Road, Madhapur, Hyderabad-500081. The date of declaration of the results of postal ballot will be taken to be the date of passing of the resolution.
15. The results of the postal ballot along with the Scrutinizer's report will be placed on the website of the Company at **www.tanla.com**