



VAKRANGEE LIMITED

(erstwhile Vakrangee Softwares Limited)

"Vakrangee House" Plot No. 66, Marol Co-op Industrial Estate, Off. M. V. Road, Andheri (E), Mumbai - 400 059.

CIN : L65990MH1990PLC056669, Phone No.- 022-28503412, 28504028, Fax -022-28502017

E-mail:- info@vakrangee.in, www.vakrangee.in

NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013 and Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 and any other Rules as may be notified and applicable]

Dear Member(s),

Notice is hereby given that pursuant to Section 110 of the Companies Act, 2013 and Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 and any other Rules as may be notified and applicable, to seek the consent of the Members of Vakrangee Limited ("the Company") for the proposed resolutions set out below, which consent is sought to be obtained by means of Postal Ballot. The Explanatory Statement stating all material facts and the reasons for the proposal is also appended hereto for your consideration.

The Company has appointed Dr. S. K. Jain, Practicing Company Secretary as the Scrutinizer for conducting the Postal Ballot voting process in a fair and transparent manner.

In accordance with the applicable Rules for postal ballot and Clause 35B of the Equity Listing Agreement entered into by the Company with Stock exchanges on which its Equity Shares are listed, the Company is pleased to provide electronic voting ("e-voting") as an alternative to its Members to enable them to cast their votes electronically instead of dispatching the Postal ballot Forms by post. The Company has engaged the services of Central Depository Services India Limited ("CDSL") to provide e-voting facilities to Members of the Company. It may be noted that e-voting is optional. If a Member has voted through e-voting facility, he is not required to send the Postal Ballot Form. If a Member votes through e-voting facility as well as sends his vote through the Postal Ballot Form, the vote cast through e-voting shall only be considered and voting through Postal Ballot Form shall not be considered by the Scrutinizer.

The e-voting facility is available at the link www.evotingindia.com till 6.00 pm on Friday, May 23, 2014. Please refer to the instructions given for e-voting at the end of this Notice for the purpose and the manner in which e-voting has to be carried out.

Members opting to vote through the Postal Ballot Form mode are requested to carefully read the instructions printed in the Postal Ballot Form (appended hereto) and return the form duly completed in the attached self addressed, postage prepaid envelope, so as to reach the Scrutinizer before the closing of working hours on Friday, May 23, 2014. Please note that any Postal Ballot Form(s) received after the said date will be treated as not having been received.

The Scrutinizer shall submit his report to the Chairman after completion of the scrutiny and the result of the voting by postal ballot will be announced on Friday, May 23, 2014 at the registered office of the Company besides being communicated to the stock exchanges on which the Company's equity shares are listed. The results of the postal ballot will also be uploaded on the web-site of the Company i.e. www.vakrangee.in. The day on which result of the postal ballot is announced by the Company would be the date on which the Special Resolutions are passed.

SPECIAL BUSINESS

1. To issue equity shares to the eligible employees of the Company under the Employees Stock Option Scheme, 2014 of the Company.

To consider and, if thought fit, to give Assent/Dissent to, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and in accordance with the provisions of the Memorandum and Articles of Association of the Company, provisions of the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 ("the ESOP Guidelines") [including any statutory modification(s) or re-enactment of the Act or the ESOP Guidelines for the time being in force], the Listing Agreement entered into with the Stock Exchanges where the securities of the Company are listed and subject to such other approvals, permissions and sanctions which to the extent applicable and subject to such other conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, 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 including Remuneration & Compensation Committee which the Board has duly constituted to exercise its powers, including the powers, conferred by this resolution), the Board be and is hereby authorized to create, offer, grant issue and allot at any time to or to the benefit of such person(s) who are in permanent employment of the Company, existing and future, including Directors of the Company, whether wholetime or otherwise, whether working in India or abroad, except an employee/director who is a promoter or belongs to the promoter group as defined in ESOP guidelines and a director who either by himself or through his relatives or anybody corporate directly or indirectly holds more than 10% of the outstanding shares of the company/Independent Director under the Employee Stock Option Scheme - 2014 (hereinafter referred to as the "ESOP Scheme 2014"), such number of equity shares and/or equity linked instruments (including Options/Warrants), and/or Restricted Stock Units (RSU's) exercisable into equity shares, and/or any other instruments or securities (hereinafter collectively referred to as "Securities") which shall not exceed five percent of the issued equity shares of the Company as on the date of grant of option(s) convertible into equivalent number of Securities, at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board/Committee.

"RESOLVED FURTHER THAT the said Securities may be granted/allotted directly to such employees/directors of the Company in accordance with the ESOP Scheme 2014 framed and tabled before the Board or ESOP Scheme 2014 framed through a trust which may be set up by the Board/Committee of Directors of the Company in any permissible manner.

"RESOLVED FURTHER THAT the issue of Securities to any non-resident employee(s), non-resident Director(s) shall be subject to such approvals, permissions or consents as may be necessary from Reserve Bank of India or any other relevant authority in this regard.

"RESOLVED FURTHER THAT the new equity shares to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the existing equity shares of the Company.

"RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the ESOP Guidelines.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the Securities allotted upon exercise under the ESOP Scheme 2014, on the stock exchanges where the Company's shares are listed as per the terms and conditions of the listing agreement entered into with the stock exchanges and other applicable guidelines, rules and regulations.

"RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue or allotment or listing of the Securities under the ESOP Scheme 2014 or through trust, the Board/Committee be and is hereby authorized on behalf of the Company to evolve, decide upon and bring in to effect and make any modifications, changes, variations, alterations or revisions in the said ESOP Scheme 2014 or to suspend, withdraw or revive the ESOP Scheme 2014 from time to time as per the discretion of the Board/Committee and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any issues, questions, difficulties or doubts that may arise in this regard without requiring the Board/Committee to secure any further consent or approval of the shareholders of the Company".

2. To issue equity shares to the employees of the subsidiaries of the Company under the Employees Stock Option Scheme of the Company.

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

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and in accordance with the provisions of the Memorandum and Articles of Association of the Company, provisions of the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 ("the ESOP Guidelines") [including any statutory modification(s) or re-enactment of the Act or the ESOP Guidelines for the time being in force], the Listing Agreement entered into with the Stock Exchanges where the securities of the Company are listed or other relevant authority, from time to time, to the extent applicable and subject to such other conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, 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 including Remuneration & Compensation Committee which the Board may constitute to exercise its powers, including the powers, conferred by this resolution), the Board is be and hereby authorized to create, offer, issue and allot at any time to or to the benefit of such person(s) who are in permanent employment of the Subsidiary Company(ies), existing or future including Directors of the Company whether working in India or abroad except an employee /Director, who is a promoter or belongs to the promoter group as defined in the ESOP guidelines and on Director who either by himself or through his relatives or anybody corporate directly or indirectly holds more than 10% of the outstanding shares of the Company/ Independent Director under the Employee Stock Option Scheme – 2014 (hereinafter referred to as the "ESOP Scheme 2014"), such number of equity shares and/or equity linked instruments (including Options/Warrants), and/or Restricted Stock Units (RSU's) exercisable into equity shares, and/or any other instruments or securities (hereinafter collectively referred to as "Securities") (subject to the ceiling referred to in resolution 9 above) which shall not exceed five percent of the issued equity shares of the Company as on the date of grant of option(s) convertible into equivalent number of Securities including permanent employees of the Company, at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board/Committee.

"RESOLVED FURTHER THAT the said Securities may be granted/allotted directly to such employees/directors of the Company in accordance with the ESOP Scheme 2014 framed as tabled before the Board or ESOP Scheme 2014 framed through a trust which may be set up by the Board/Committee of Directors of the Company in any permissible manner.

"RESOLVED FURTHER THAT the issue of Securities to any non-resident employee(s), non-resident Director(s) shall be subject to such approvals, permissions or consents as may be necessary from Reserve Bank of India or any other relevant authority in this regard.

"RESOLVED FURTHER THAT the new equity shares to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the existing equity shares of the Company.

"RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the ESOP Guidelines.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the Securities allotted upon exercise under the ESOP Scheme 2014, on the stock exchanges where the Company's shares are listed as per the terms and conditions of the listing agreement with the stock exchanges and other applicable guidelines, rules and regulations.

"RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue or allotment or listing of the Securities under the ESOP Scheme 2014 or through trust, the Board/Committee be and is hereby authorized on behalf of the Company to evolve, decide upon and bring in to effect and make any modifications, changes, variations, alterations or revisions in the said ESOP Scheme 2014 or to suspend, withdraw or revive the ESOP Scheme 2014 from time to time as per the discretion of the Board/Committee and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any issues, questions, difficulties or doubts that may arise in this regard without requiring the Board/Committee to secure any further consent or approval of the shareholders of the Company".

By order of the Board of Directors,

Sd/-
Darshi Shah
Company Secretary & Compliance Officer

Place: Mumbai.

Dated: April 23, 2014

Registered Office:-

"Yakrangee House", Plot No. 66,
Marol Co-op Industrial Estate, Off. M. V. Road,
Andheri (E), Mumbai - 400059

NOTES:

1. An Explanatory statement as required under Section 102 of the Companies Act, 2013 and instructions for e-voting in respect of the businesses specified above are annexed hereto.
2. Members who have registered their e-mail IDs for receipt of documents in electronic mode under the "green initiative" undertaken by MCA, have been sent a link for postal ballot notice and postal ballot form alongwith their login ID and password for the purpose of e-voting on their registered e-mail IDs. Such Shareholders who wish to vote through ballot form can download the ballot form from the link. Members have an option to cast their votes either through e-voting or through postal ballot form. Members who wish to cast their votes physically through postal ballot form, may do so by filling up the details required herein. The postal ballot form for casting vote physically can also be obtained from company's Registrar and Transfer agents, E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072 or from the company. The postal ballot form duly completed should be sent to the scrutinizer in the attached self-addressed postage prepaid envelope, so as to reach the scrutinizer on or before the close of working hours on Friday, May 23, 2014 to be eligible for being considered, failing which, it shall be strictly treated as if no reply has been received from the member. However, envelopes containing Postal Ballot, if sent by courier at the expense of the Registered Shareholder will also be accepted. The same shall be sent to the Scrutinizer at S.K. Jain & Co., 13/16, Kapadia Chambers, Ground Floor, 599, J.S.S. Road, Chira Bazar, Mumbai – 400002.
3. Only a Member who is entitled to vote is entitled to exercise his/ her vote through the Postal Ballot Form. Voting rights of every Member shall be reckoned on the Paid-up value of Equity Shares on the basis of names appearing in the "Register of Members" or in the records of the depository, as applicable, on the date of dispatch of the Postal ballot Notice, and any recipient of the Postal Ballot Notice whose name does not appear as a Member in relation to the Equity Shares as on the aforesaid date should treat the same as intimation only.

Instructions for e-voting

I] Members receiving postal ballot form by mail are requested to follow the instructions below to cast their vote through e-voting:

- a. Open the email received from Company's Registrar and Share Transfer agent - Bigshare Services Private Limited. The said email contains your User ID and Password for e-voting. Please note that the Password is an initial Password.
- b. Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
- c. Click on "Shareholder-Login:"
- d. Put User ID and Password noted in step (a) above as the initial Password. Click Login. If you are already registered with CDSL for e-voting then you can use your existing User ID and Password for Login.
- e. If you are logging in for the first time, Password Change Menu appears. Change the Password of your choice with minimum 8 digits/ characters or combination thereof. Please note the new Password for all the future e-voting cycles offered on CDSL e-voting Platform. It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential.
- f. Home page of "e-voting" opens. Click on "e-voting": Active Voting Cycles.
- g. Select the "Electronic Voting Sequence Number" (EVSN) alongwith "Vakrangee Limited" from the drop down menu and click on SUBMIT.
- h. Now you are ready for "e-voting" as "Cast Vote" page opens.
- i. Cast your vote by selecting appropriate option and click "Submit" and also "Confirm" when prompted. Kindly note that vote once cast cannot be modified.
- j. Institutional Members (i.e. Members other than individual, HUF, NRIs, etc.) are also required to send scanned copy (PDF/ JPG format) of the relevant Board Resolution/ authority letter, etc. together with the attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email at: skjaincs1944@yahoo.com with a copy marked to helpdesk.evoting@cdslindia.com. Please note that proxies are not allowed to cast their vote through postal ballot.
- k. In case you have any feedback, queries or issues regarding e-voting, please contact helpdesk.evoting@cdslindia.com
- l. Kindly note that Members can opt for only one mode of voting i.e. either Postal Ballot Form or e-voting. In case of receipt of vote by both the modes, voting done through e-voting shall prevail and voting done by Postal ballot Form shall be treated as invalid.

II] In case of Members receiving the Postal Ballot Form by Post:

- a. The Initial Password is provided in the table given in the Postal Ballot Form.
- b. Please follow all the steps from (b) to (l) above to cast your vote.

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

ITEM NO. 1 & 2:

The Directors, Key Managerial Personnel (KMP) and their relatives are deemed to be concerned and/or interested to the extent of their shareholding in the Company. However none of the Directors and KMPs and their relatives except Promoter and Promoter Group holds not more than 2% shares in the Company.

The Board has identified the need to reward the permanent employees of the Company including employees of the subsidiary companies and to enable them to participate in the growth and financial success of the company. In view of the above, the Board has, with the recommendation of Remuneration and Compensation Committee of the Board, formulated a Scheme in accordance with the ESOP Guidelines, 1999 to offer securities to the employees (including employees of the subsidiary companies) under the "Employee Stock Option Scheme – 2014" (ESOP Scheme 2014). The Board has accordingly decided to seek approval of the shareholders of the Company.

Disclosures as per Regulation 6.2 of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended:

Sr.No.	Description	Disclosure
1	Total no. of Options /Shares/Securities that could be issued under the Scheme.	Up to five percent (5%) of the aggregate of the number of issued equity shares of the Company, from time to time, on the date(s) of grant of such Securities to eligible employees (or such other adjusted figure for any bonus, stock splits or consolidations or other re-organization of the capital structure of the Company as may be applicable from time to time).
2	Identification of classes of employees entitled to participate in the ESOP	All employees of the Company and Subsidiary Companies, including Directors (excluding Promoter/Independent Directors) of the Company and its subsidiaries and as may be decided by the Remuneration & Compensation Committee constituted for the purpose.
3	Vesting, requirement of Vesting and maximum period of vesting	The vesting period shall commence on the expiry of two years from the date of grant of Securities, and may extend up to 4 years from the date of vesting or such further or other period as the Board/Committee may determine, from time to time. The Securities would vest subject to continued employment with the Company or its subsidiaries. In addition to this, the Board/Committee may specify performance criteria/conditions to be met subject to which securities would vest in the employee. The Securities may vest in tranches subject to the terms and conditions stipulated by the Remuneration & Compensation Committee.
4	Exercise Price or Pricing formula	The Securities would be issued at 50% of the market price (Exercise Price), which would be the latest available closing price on the Stock Exchange, which records the highest trading volume in the Company's equity shares on the date prior to the date of the meeting of the Board/Remuneration & Compensation Committee at which the Securities are granted or at such price as the Board/Remuneration & Compensation Committee may determine.
6	Exercise Period and the Process of Exercise	The exercise period and process of exercise shall be subject to terms as may be decided by the Remuneration & Compensation Committee, from time to time under the ESOP Scheme 2014.
7	Appraisal process for determining the eligibility of the employees for ESOP	The appraisal process for determining the eligibility of the employees will be in accordance with the ESOP Scheme 2014 or as may be determined by the Remuneration & Compensation Committee at its sole discretion.
8	Maximum number of options / shares / securities to be issued per employee and in the aggregate	The maximum number of Securities granted to any employee including Directors of the Company in any one year will not exceed 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company.
9	Disclosure and Accounting policies	The Company will comply with the disclosure and accounting policies, as applicable. In case the Company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used fair value of the options shall be disclosed in the Director's Report and also the impact of this difference on profits and Earning Per Share (EPS) of the Company shall also be disclosed in the Director's Report.

In terms of the provision of Section 62(1) (b) and other applicable provisions, if any, of the Companies Act, 2013 and ESOP Guidelines, 1999, approval of the shareholders is sought to issue the Securities, pursuant to the Securities granted under the ESOP Scheme – 2014, not exceeding in aggregate, five percent of the number of issued equity shares of the Company, from time to time, as on the date(s) of grant of securities under the ESOP Scheme 2014.

The Board recommends the aforesaid resolutions for your approval.

By order of the Board of Directors,

Sd/-
Darshi Shah
Company Secretary & Compliance Officer

Place: Mumbai

Dated: April 23, 2014

Registered Office:-

"Vakrangee House", Plot No. 66,
Marol Co-op Industrial Estate, Off. M. V. Road,
Andheri (E), Mumbai - 400059.