

Centum Electronics Limited

CIN: L85110KA1993PLC013869

Registered Office: No.44, KHB Industrial Area, Yelahanka Newtown, Bangalore – 560 106.

Telephone: 080 4143 6000, Fax: 080 4143 6005, website: www.centumelectronics.com

Notice of Postal Ballot

To the Members of Centum Electronics Limited.,

Notice is hereby given that pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the following Resolution in respect of the Special Business more specifically provided in the appended Resolution, is proposed to be passed by Postal Ballot:-

SPECIAL BUSINESS:

Appointment of Mr. Nikhil Mallavarapu, in Adetel Group SA, the subsidiary of the company

To consider and, if deemed fit, to pass through Postal Ballot, the following Resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 188(1)(f) and Rule 15(3)(b) of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any Statutory modification or re-enactment thereof for the time being in force), approval of Shareholders, be and is hereby accorded for the appointment of Mr. Nikhil Mallavarapu, to hold and continue to hold an office or place of profit in Adetel Group SA, Subsidiary of the company, on such remuneration, terms and conditions as may be agreed between Adetel and Mr. Nikhil from time to time.”

“**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary and/or expedient for implementing and giving effect to the aforesaid resolution on behalf of the company.”

By order of the Board of Directors
For Centum Electronics Limited

Sd/-

Ramu Akkili
Company Secretary

Place: Bangalore
Dated: 16-09-2016

Notes:

1. The Board of Directors has appointed Mr. S. P. Nagarajan, Practising Company Secretary as Scrutinizer for conducting the Postal Ballot in a fair and transparent manner.
2. The Statement as required under Section 102 of the Companies Act, 2013 is annexed to this Notice. A Postal Ballot Form is also enclosed.

The Notice is being sent to all the equity shareholders whose names appear in the Register of Members /Beneficiary Position maintained by the Depositories as on Friday, September 16, 2016. Voting rights shall be reckoned on the paid up value of the shares registered in the names of the Members as on that date.

INSTRUCTIONS FOR VOTING

I. Voting through Physical Postal Ballot Form

1. The Members are requested to carefully read the instructions printed in the Postal Ballot Form and return the Postal Ballot Form duly completed with the assent (for) or dissent (against), in the enclosed postage pre-paid self-addressed envelope, so as to reach the Scrutinizer, on or before the closing of working hours i.e. 6.00 p.m. on Tuesday, October 25, 2016, to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member.
2. The Members are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted. Envelopes containing Postal Ballot Form if deposited in person or sent by courier at the expense of the Members will also be accepted.

E-Voting

The Company is pleased to offer e-Voting facility as an alternative to its Members, to enable them to cast their vote electronically instead of dispatching Postal Ballot Form. The procedure for the same is as under:

The instructions for e-voting are as under:

- A. In case a Member receives an e-mail from Karvy (for Members whose e-mail addresses are registered with the Company/Depositories):
 - i. Use the following URL for e-voting
<https://evoting.karvy.com>
 - ii. Enter the login credentials i.e., user id and password sent by email along with the notice. Your Folio No/DP ID Client ID will be your user ID
 - iii. After entering the details appropriately, click on LOGIN.
 - iv. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email 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.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the EVENT i.e., **Centum Electronics Limited**.
 - vii. On the voting page, the number of shares as held by the shareholder as on the Cut-off Date will appear. If you desire to cast all the votes assenting/dissenting to the Resolution then enter all shares and click "FOR" / Against as the case may be. You are not required to cast all your votes in the same manner. You may also choose the option ABSTAIN in case you wish to abstain from voting.
 - viii. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can

- login any number of times till they have voted on the resolution.
- ix. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 - x. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to cs@nagarajsp818.com.
 - xi. The Portal will remain open for voting from 10.00 a.m. on 26th September, 2016 to 6.00 p.m. on 25th October, 2016 (both days inclusive).
 - xii. The results of e-voting will be announced by the company in its website and also informed to the stock exchanges.
- B. In case a Member receives physical copy of the Notice of Postal ballot (for Members whose email addresses are not registered with the Company/Depositories):
- i. Initial password, EVENT (E-Voting Event Number) and user ID are provided separately in the e-voting notice along with the Notice of Postal ballot.
 - ii. Please follow all steps from Sl. No. (i) to Sl. No. (xii) above, to cast vote.
- C. Kindly note that the Members can opt only one mode of voting, i.e. either by Physical Ballot or e-Voting. If you are opting for e-Voting, then do not vote by Physical Ballot & vice-versa. However, in case the Member(s) cast their vote both via Physical voting & e-Voting, then voting validly done through e-Voting shall prevail and voting done by Physical Ballot shall be treated as invalid.
- D. The e-voting period commences on Monday, September 26, 2016 (10.00 a.m. IST) and ends on Tuesday, October 25, 2016 (6.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on September 16, 2016 (being the cutoff date for issue of notice of Postal ballot), may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- E. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.karvy.com> or contact Mr. Varghese P A of Karvy Computershare Pvt Ltd at 040 67161564 or at 1800 345 4001 (toll free).

General

1. The Scrutinizer will submit the report to the Chairman after completion of the scrutiny and the results of the Postal Ballot will be hosted on the Company's website at www.centumelectronics.com. for information of the Members, besides being communicated to the Stock Exchanges on which the shares of the Company are listed. The date of declaration of the Postal Ballot results will be taken as the date of passing the Resolution.
2. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

ANNEXURE TO THE NOTICE

(Statement under Section 102 of the Companies Act, 2013)

As you are aware that the shareholders have approved the appointment of Mr. Nikhil Mallavarapu at the 20th Annual General Meeting held on 7th August 2013. He is the son of Mr. Apparao V Mallavarapu, Chairman and Managing Director and Dr. Swarnalatha Mallavarapu, Director of the company.

Further, you are aware that the company has acquired 51% stake in Adetel Group SA, a French based company, through its wholly owned subsidiary (Centum Electronics UK Limited), Adetel has become subsidiary to the company. It was felt that there is a need to depute a competent and experienced person from the company to Adetel to facilitate the integration process in a faster manner. Hence, it is proposed to depute Mr. Nikhil Mallavarapu in Adetel Group SA, France.

Mr. Nikhil has his Master Degree in Electrical and Computer engineering from Carnegie Mellon University, USA. He also has done his MBA from the INSEAD Business School in Fontainebleau, France.

He has 7 years of experience. In June 2008, Nikhil began his career as a product engineer in the MEMS Division at Analog Devices, USA. Over the course of 4 years Nikhil led cross-functional teams of engineers to develop cutting edge accelerometer products for safety critical Automotive applications and to optimize manufacturing processes for high volume products.

He returned to India and joined Centum Electronics as Manger-Projects in August 2012. In this role, Nikhil worked on 2 key initiatives- i) To establish RF & Microwave design and development capabilities to address defence, aerospace and space requirements. ii) To work on corporate strategic initiatives to build commercial and technological partnerships with companies in India and abroad to address new market requirements.

Pursuant to the provisions of Section 188(1) (f) of the companies Act, 2013 and Rule 15(3)(b) of the Companies (Meetings of Board and its Powers) Rules, 2014, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the shareholders is required in the case of appointment of relative of a director for any office in the company or its subsidiary company. Since, the Adetel is subsidiary to the company and Mr. Nikhil is being a related party, and the terms & conditions of appointment in Adetel will be as per the company policy and local requirements, the remuneration may exceed the prescribed limits as per the Companies Act, 2013 hence seeking your approval.

Your Directors felt that the above appointment would be in the best interest of the company and accordingly recommend the passing of the resolution.

Mr. Nikhil Mallavarapu holds 581,314 shares of the company.

Mr. Apparao V Mallavarapu, Chairman and Managing Director, Dr. Swarnalatha Mallavarapu, Director are interested and none of the other Directors and Key managerial personnel of the company are concerned or interested in the said resolution.

By order of the Board of Directors

Place: Bangalore
Dated: 16-09-2016

For Centum Electronics Limited
Sd/-
Ramu Akkili
Company Secretary

Centum Electronics Limited

CIN: L85110KA1993PLC013869

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POSTAL BALLOT FORM
(To be returned to the Company)
(FOR PHYSICAL VOTING ONLY)

1. Name(s) of Shareholder(s) :
(Including joint holder(s), if any)

2. Registered address of the sole/First :
Named Shareholder

3. Folio No./ DP ID No./ Client ID No. :

4. Number of share(s) held :

5. I/We hereby exercise my/our vote in respect of the Ordinary Resolution to be passed through Postal Ballot for the business stated in the Postal Ballot Notice of the Company dated 16th September, 2016 by conveying my/our assent or dissent to the said Resolution by placing the tick() mark in the appropriate box below:

| Item No. | Brief Description of the Resolution | No. of Share(s) | Please Tick () in the appropriate box below | |
|----------|---|-----------------|--|--------------------------------|
| | | | I/We assent to the Resolution | I/We dissent to the Resolution |
| 1 | Ordinary Resolution pursuant to the provisions of Section 188(1) (f) of the companies Act, 2013 and Rule 15(3)(b) of the Companies (Meetings of Board and its Powers) Rules, 2014, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to approve for the appointment of Mr. Nikhil Mallavarapu, in Adetel Group SA, the subsidiary of the company. | | | |

Place :

Signature of the Shareholder(s)

Date :

E-voting facility particulars (to be retained with the shareholder

| EVEN (E- Voting Event Number) | USER ID | PASSWORD/PIN |
|----------------------------------|---------|--------------|
| | | |

Note: Please read the Notes carefully before filling the Form.