

eClerx/SECD/SE/2019/52

March 26, 2019

<b>BSE Limited</b> Corporate Relationship Department, Phiroze Jeejeebhoy Towers, 25 <sup>th</sup> Floor, Dalal Street, Fort, Mumbai - 400 001	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Plot No. C/1, Block G, Bandra - Kurla Complex Bandra (East), Mumbai – 400 051
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Dear Sir/Madam,

**Sub: Compliance under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**Reg.: Notice of Postal Ballot under Section 110 of the Companies Act, 2013**

**Scrip Code: BSE - 532927  
NSE- ECLERX**

With reference to our letter number eClerx/SECD/SE/2019/47 dated March 14, 2019 informing you that the Company is in the process of seeking approval of its Members by way of Postal Ballot for Buy-Back of Equity Shares of the Company, the Postal Ballot Notice along with the Postal Ballot Form being circulated to the Members, are attached for your information and records.

Kindly take a note of the same.

Thanking you,

Yours truly,  
For **eClerx Services Limited**



**Pratik Bhanushali**  
Company Secretary & Compliance Officer  
F8538



Encl: As above



## eClerx Services Limited

CIN: L72200MH2000PLC125319

Regd. Office: Sonawala Building, 1<sup>st</sup> Floor, 29 Bank Street, Fort, Mumbai - 400 023, India

Phone No.: +91 (22) 6614 8301, Fax No.: +91 (22) 6614 8655, Email Id: investor@eclerx.com, Website: www.eclerx.com

### **NOTICE OF POSTAL BALLOT PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013**

Dear Members,

**NOTICE** is hereby given, pursuant to Section 110 and Section 108 of the Companies Act, 2013 (the "Companies Act"), read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (the "Rules") including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and other applicable provisions, if any, that the resolution appended herein below for seeking approval of the Members of eClerx Services Limited (the "Company") is proposed to be passed as a Special Resolution by way of a Postal Ballot and voting by electronic means ("Remote E-voting").

The Explanatory Statement pursuant to Section 102 of the Companies Act and other applicable provisions of the Companies Act, pertaining to the resolution, setting out the material facts concerning such item and reasons thereof, are annexed hereto along with a postal ballot form (the "Postal Ballot Form") for your consideration.

The Board of Directors of the Company at their meeting held on March 14, 2019, has subject to the approval of the Members of the Company by way of a special resolution and approval of the statutory, regulatory or governmental authorities, as may be required under the applicable laws, approved the Buy-Back of its fully paid-up equity shares of face value of ₹ 10/- each (Rupees Ten each) ("Equity Shares"), at a price not exceeding ₹ 1,600/- (Rupees One Thousand Six Hundred only) per Equity Share ("Maximum Buy-Back Price") payable in cash for a total consideration not exceeding ₹ 2,620 Millions (Rupees Two Thousand Six Hundred and Twenty Millions), excluding transaction costs incurred or to be incurred for the Buy-Back viz. brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, filing fees, advisor fees, public announcement expenses, printing and dispatch expenses and other incidental and related expenses etc. ("Maximum Buy-Back Size"), which is within 25% of the aggregate of the Company's paid-up equity share capital and free reserves as per the latest audited standalone financial statements of the Company as on March 31, 2018, from all the equity shareholders / beneficial owners of the equity shares of the Company as on the record date, to be announced by the Board / Buy-Back Committee ("Record Date"), on proportionate basis through the 'Tender Offer' route, as prescribed under the SEBI Buy-Back Regulations (hereinafter referred to as the "Buy-Back").

Pursuant to Rule 22(5) of the Rules, the Board of Directors has appointed Ms. Savita Jyoti of M/s. Savita Jyoti Associates, Company Secretaries as the Scrutinizer (the "Scrutinizer") for conducting the Postal Ballot and Remote E-voting process in a fair and transparent manner. Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the accompanying self-addressed prepaid business reply envelope to the Scrutinizer and it should reach the Scrutinizer on or before the close of working hours i.e. 5.00 p.m. (IST) on Thursday, April 25, 2019 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member.

In compliance with the provisions of Sections 108 and 110 of the Companies Act, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to its Members to exercise their right to vote on the resolution appended to this Notice by electronic means instead of physical submission of the Form to the Scrutinizer. For this purpose, the Company has availed the electronic voting platform of Karvy Fintech Private Limited ("Karvy") for facilitating e-voting. The instructions for Remote e-voting are provided hereunder. It may be noted that Remote e-voting is optional. If a Member casts his / her vote through Remote e-voting as well as Postal Ballot Form, the vote cast through Remote e-voting would be considered and votes cast through Postal Ballot Form shall be treated as invalid.

The e-voting commences on Wednesday March 27, 2019 at 9.00 a.m. (IST) and ends on Thursday, April 25, 2019 at 5.00 p.m. (IST). The remote e-voting module shall be disabled by Karvy for voting thereafter.

The Scrutinizer will submit her consolidated report to the Board of Directors, after completion of scrutiny of Postal Ballot Forms (including e-voting) in a fair and transparent manner. The results of the Postal Ballot will be announced by the Chairman or in his absence by any of Directors duly authorized by the Company on or before 7.00 p.m. (IST) on Friday, April 26, 2019 at the Corporate Office of the Company and will also be displayed along with the Scrutinizer's report on the website of the Company [www.eclerx.com](http://www.eclerx.com), besides being communicated to BSE Limited (the "BSE") and National Stock Exchange of India Limited (the "NSE") (the NSE, together with the BSE, are referred to as the "Stock Exchanges"), where the shares of the Company are listed. The last date specified by the Company for receipt of duly completed Postal Ballot Forms and e-voting i.e. Thursday, April 25, 2019 will be taken as the date on which the resolution would be deemed to have passed, if approved by the requisite majority.

**SPECIAL BUSINESS:****ITEM NO. 1: Approval for Buy-Back of Equity Shares**

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

**"RESOLVED THAT** pursuant to Article 61 of the Articles of Association of the Company and in accordance with the provisions of Sections 68, 69, 70 and 110, and all other applicable provisions, if any, of the Companies Act, 2013 ("Companies Act"), as amended, read with the Companies (Share Capital and Debentures) Rules, 2014 (the "Share Capital Rules"), the Companies (Management and Administration) Rules, 2014, each as amended from time to time, for the time being in force and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations 2018, as amended ("SEBI Buy-Back Regulations"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") including any amendments, statutory modifications or re-enactments, for the time being in force, and subject to such other approvals, permissions, consents, sanctions and exemptions, as may be necessary, from the Securities and Exchange Board of India ("SEBI"), Reserve Bank of India ("RBI"), the stock exchanges on which the equity shares of the Company are listed ("Stock Exchanges") and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions, sanctions and exemptions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which expression shall include any Committee constituted by the Board to exercise its powers, including the powers conferred by this Resolution), consent of the Members be and is hereby accorded to buy-back by the Company of fully paid-up equity shares of face value of ₹ 10/- each (Rupees Ten each) ("Equity Shares"), at a price not exceeding ₹ 1,600/- (Rupees One Thousand Six Hundred only) per Equity Share ("Maximum Buy-Back Price") payable in cash for a total consideration not exceeding ₹ 2,620 Millions (Rupees Two Thousand Six Hundred and Twenty Millions), excluding transaction costs incurred or to be incurred for the Buy-Back viz. towards transaction costs for the Buy-Back brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, filing fees, advisor fees, public announcement expenses, printing and dispatch expenses and other incidental and related expenses etc. ("Maximum Buy-Back Size"), which is within 25% of the aggregate of the Company's paid-up equity share capital and free reserves as per the latest audited standalone financial statements of the Company as on March 31, 2018, from the equity Members of the Company as on the Record Date, to be announced by the Board / Buy-Back Committee ("Record Date"), on proportionate basis through the 'Tender Offer' route, as prescribed under the SEBI Buy-Back Regulations (hereinafter referred to as the "Buy-Back").

**RESOLVED FURTHER THAT** in terms of Regulation 4 of the SEBI Buy-Back Regulations, the Buy-Back may be made out of the Company's free reserves and / or such other sources as may be permitted by applicable law through 'Tender Offer' route and as required by the SEBI Buy-Back Regulations and the Companies Act based on the latest standalone audited standalone accounts of the Company for the financial year ended March 31, 2018 and that the payments shall be made out of the Company's current surplus and / or cash balances and / or current investments and / or cash available from internal resources of the Company (and not from any borrowed funds) and on such terms and conditions as the Board may decide from time to time at its absolute discretion.

**RESOLVED FURTHER THAT** in terms of Regulation 6 of the SEBI Buy-Back Regulations, the Company may buy-back Equity Shares from the existing equity shareholders / beneficial owners of the Equity Shares of the Company as on Record Date ("Eligible Shareholders"), on proportionate basis, provided that 15% (fifteen percent) of the number of Equity Shares which the Company proposes to buy-back or number of Equity Shares entitled as per the shareholding of small shareholders, as defined in the SEBI Buy-Back Regulations ("Small Shareholders") as on the Record Date, whichever is higher, shall be reserved for the small shareholders as defined in the SEBI Buy-Back Regulations.

**RESOLVED FURTHER THAT** the total number of Equity Shares to be bought back would hence be 16,37,500 (Sixteen Lakhs Thirty Seven Thousand Five Hundred) Equity Shares (representing 4.24% of outstanding number of fully paid-up equity shares of the Company as on March 31, 2018, which may vary depending upon the final Buy-Back Price per equity share and final Buy-Back size as decided by the Buy-Back Committee / Board.

**RESOLVED FURTHER THAT** the Company shall earmark adequate resources of funds for the purpose of Buy-Back and the amount required by the Company for the Buy-Back is intended to be met out of the Company's cash balance and internal accruals and on such terms and conditions as may be decided by the Board at its absolute discretion.

**RESOLVED FURTHER THAT** the Company shall implement the Buy-Back using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular bearing CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular bearing CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, including any amendments thereof.

**RESOLVED FURTHER THAT** the proposed Buy-Back be implemented from the existing equity shareholders as on Record Date in a manner the Board may consider appropriate, out of the funds available with the Company or such other source as may be permitted under SEBI Buy-Back Regulations or the Companies Act and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board as it may deem fit.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, Mr. Priyadarshan Mundhra, Executive Director, Mr. Anjan Malik, Non-Executive Director, Mr. Rohitash Gupta, Chief Financial Officer and Mr. Pratik Bhanushali, the Company Secretary be and are hereby severally authorized to make necessary applications to the statutory, regulatory or governmental authorities as may be required under the applicable law; to sign, execute and deliver all such papers, deeds, documents, agreements, undertakings, declarations and forms, which are necessary and incidental thereto and to do all such acts, deeds, matters and things and execute and sign all documents as may be required in connection with the above and to settle any questions or difficulties whatsoever may arise in relation to the implementation of Buy-Back or for matters incidental thereto and to file the necessary e-forms with the Registrar of Companies.

**RESOLVED FURTHER THAT** the Buy-Back from Eligible Shareholders who are non-resident members holding Equity Shares of the Company, Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs), Members of foreign nationality etc. shall be subject to such approvals if and to the extent necessary or required from the concerned authorities including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999, Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 as amended and the rules and regulations framed there under, if any.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to give effect to the aforesaid resolutions and may delegate all or any of the power(s) conferred hereinabove as it may in its absolute discretion deem fit, to any Director(s) / Officer(s) / Authorized Representative(s) / Buy-Back Committee ("Buy-Back Committee") of the Company in order to give effect to the aforesaid Resolutions, including but not limited to finalizing the terms of the Buy-Back like record date, entitlement ratio, the timeframe for completion of Buy-Back; appointment of intermediaries / agencies, as may be required, for the implementation of the Buy-Back; preparation, signing and filing of the Public Announcement, the Draft Letter of Offer / Letter of Offer with the SEBI, the stock exchanges and other appropriate authorities and to make all necessary applications to the appropriate authorities for their necessary approvals, if any; and to initiate all necessary actions for preparation and issue of various documents including letter of offer, opening, operation and closure of necessary accounts including escrow account with a bank, entering into agreements, release of public announcement, filing of declaration of solvency, obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law, extinguishment of dematerialized shares and physical destruction of share certificates in respect of the Equity Shares bought back by the Company, and such other undertakings, agreements, papers, documents and correspondence, under the Common Seal of the Company, as may be required to be filed in connection with the Buy-Back with the SEBI, RBI, Stock Exchanges, Registrar of Companies, Depositories and / or other regulators and statutory authorities as may be required from time to time.

**RESOLVED FURTHER THAT** the Buy-Back Committee be and is hereby authorized to delegate all or any of the authorities conferred upon it to any officer(s) / authorized signatory(ies) of the Company.

**RESOLVED FURTHER THAT** nothing contained herein shall confer any right on the part of any Member to offer and / or any obligation on the part of Company or the Board or the Buy-Back Committee to buyback any shares, and / or impair any power of the Company or the Board or the Buy-Back Committee to terminate any process in relation to such Buy-Back, if so permissible by law.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolutions, the Board and / or the Buy-Back Committee be and are hereby jointly and / or severally empowered and authorized on behalf of the Company to accept and make any alteration(s) and / or modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buy-Back, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as the Board and / or any person authorized by the Board of Directors may, in its absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buy-Back without seeking 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."

By order of the Board of Directors  
For **eClerx Services Limited**

**Sd/-**  
**Pratik Bhanushali**  
Company Secretary  
F8538

Mumbai, March 14, 2019

**Registered Office:**

Sonawala Building, 1<sup>st</sup> Floor, 29 Bank Street, Fort, Mumbai – 400 023

CIN: L72200MH2000PLC125319

Website: www.eClerx.com, E-mail: investor@eclerx.com Tel: +91 (22) 6614 8301, Fax: +91 (22) 6614 8655

**NOTES:**

1. The Explanatory Statement, pursuant to the provisions of Section 102 read with Section 110 of the Companies Act, 2013, setting out material facts in respect of Special Resolution to be passed through Postal Ballot / E-voting is annexed hereto along with Postal Ballot form, for your consideration. It also contains all disclosures as specified in Schedule I of SEBI Buy-Back Regulations.
2. The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"), as on the close of working hours on Friday, March 15, 2019, i.e. Cut Off Date, and any person who is not a Member of the Company as on date specified above shall treat the Notice for information purposes only.
3. The Postal Ballot Notice is being sent to the Members in electronic form to the email addresses registered by them with their Depository Participants (in case of electronic shareholding) and with the Company's Registrar and Transfer Agent (in case of physical shareholding). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with a postage prepaid self-addressed Business Reply Envelope.

4. In case a Member is desirous of obtaining a printed Postal Ballot Form or a duplicate one, he / she may write to the RTA / Company or send an e-mail to [investor@eclerx.com](mailto:investor@eclerx.com). The Registrar and Share Transfer Agent / the Company shall forward the same along with postage prepaid self-addressed business reply envelope to the Member.
5. Members who have received the Postal Ballot Notice by e-mail and who wish to vote through Physical Form may download the Postal Ballot Form attached in the e-mail or from the Company's website [www.eclerx.com](http://www.eclerx.com) and send the duly completed and signed Postal Ballot Form to the Scrutinizer so as to reach the Scrutinizer not later than 5.00 p.m. (IST) on Thursday, April 25, 2019.
6. Members are requested to carefully read the instructions printed on the attached Postal Ballot Form. The form, duly completed and signed, should be returned in the enclosed self-addressed, postage prepaid envelope, directly to the Scrutinizer so as to reach on or before 5.00 p.m. (IST) on Thursday, April 25, 2019. Any response received from the Members after that shall be treated as if no response is received in terms of Rule 22(12) of the Companies (Management and Administration) Rules, 2014.
7. A Member cannot exercise his vote by proxy on postal ballot.
8. In case of any grievance / clarification in connection with the Postal Ballot including remote e-voting, Members may contact Mr. S. V. Raju, Deputy General Manager (Unit: eClerx Services Limited) of Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032, India or at [evoting@karvy.com](mailto:evoting@karvy.com) or phone no. 040 – 6716 1500 or call Karvy's toll free No. 1-800- 3454- 001 or the Company Secretary at the contact details given herein or at [investor@eclerx.com](mailto:investor@eclerx.com)
9. The Notice of Postal Ballot is also placed on the website of the Company at [www.eclerx.com](http://www.eclerx.com)
10. Members who have not registered their email IDs so far are requested to register the same with the Company, Karvy or Depository Participant(s) to get all the information of the Company at the click of the mouse. Members are also requested to immediately notify any changes in their address and / or email IDs to the Company or Karvy at their respective addresses as mentioned in this Notice.
11. VOTING THROUGH ELECTRONIC MEANS

In compliance with Sections 108 and 110 of the Companies Act, 2013, read with the Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Company is pleased to provide to its Members, facility to exercise their right to vote on the resolution proposed to be considered through Postal Ballot by electronic means and the business may be transacted through e-voting services arranged by Karvy, instead of dispatching the physical Postal Ballot Form by post.

The Remote e-voting period commences on Wednesday, March 27, 2019 at 9.00 a.m. (IST) and ends on Thursday, April 25, 2019 at 5.00 p.m. (IST). During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on Friday, March 15, 2019 may cast their vote by electronic means. The Remote e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

**The process and manner for Remote e-voting is as under:**

**A. In case a Member receiving an email from Karvy [for Members whose email IDs are registered with the Company / Depository Participant(s)]:**

- i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
- ii) Enter the login credentials (i.e., User ID and password mentioned below). Your Folio No. / DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. The standard password for first time login is mentioned below.
- iii) After entering these details appropriately, Click on "LOGIN".
- iv) You will now reach 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 (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you 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., eClerx Services Limited.

- vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off Date under "FOR / AGAINST" 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 as mentioned hereinabove. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii) Members holding multiple folios / demat accounts shall choose the voting process separately for each folios / demat accounts.
- ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- x) You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi) 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, Members can login any numbers of times till they have voted on the Resolution(s).
- xii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at E-mail ID: [eclerxvoting@karvy.com](mailto:eclerxvoting@karvy.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_ EVENT NO."

**B. In case of Members receiving physical copy of the Notice by Post [for Members whose email IDs are not registered with the Company / Depository Participant(s)]:**

- i) User ID and initial password as provided at the bottom of the Postal Ballot Form enclosed with this Notice.

<b>EVEN (E-Voting Event Number)</b>	<b>USER ID</b>	<b>Password</b>
-	-	-

- ii) Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote.

In case of any query and / or grievance in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and e-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact Mr. S. V. Raju, Deputy General Manager (Unit: eClerx Services Limited) of Karvy, Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032, India or at [evoting@karvy.com](mailto:evoting@karvy.com) or phone no. 040 – 6716 1500 or call Karvy's toll free No. 1-800- 3454- 001 for any further clarifications.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 1:**

With an objective to optimize returns to Members, enhance the overall shareholder's value and optimize the capital structure of the Company through return of surplus cash, the Board at its meeting held on March 14, 2019 has, subject to the approval of the Members of the Company by way of Special Resolution through postal ballot and subject to approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, approved buy-back by the Company of its fully paid-up equity shares of face value of ₹ 10/- each (Rupees Ten each), not exceeding a maximum price of ₹ 1,600/- (Rupees One Thousand Six Hundred only) per Equity Share payable in cash for a total consideration not exceeding ₹ 2,620 Millions (Rupees Two Thousand Six Hundred and Twenty Millions), excluding transaction costs incurred or to be incurred for the Buy-Back (viz. brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, filing fees, advisor fees, public announcement expenses, printing and dispatch expenses and other incidental and related expenses etc.), which is within 25% of the aggregate of the Company's paid-up equity share capital and free reserves as per the latest audited standalone financial statements of the Company as on March 31, 2018 from all the equity shareholders / beneficial owners of the Equity Shares of the Company as on the record date, to be announced by the Board / Buy-Back Committee, on proportionate basis through the 'tender offer' route, as prescribed under the SEBI Buy-Back Regulations.

In accordance with the applicable provisions of the Companies Act, the Share Capital Rules and SEBI Buy-Back Regulations, this Explanatory Statement contains relevant and material information to enable the Members holding Equity Shares of the Company to consider and approve the Special Resolution for the Buy-Back of the Company's Equity Shares.

Requisite details relating to the Buy-Back are given below:

#### **(a) Necessity for the Buy-Back:**

The Buy-Back is being proposed by the Company to return surplus funds to the Members, which are over and above its ordinary capital requirements and in excess of any current investment plans, in an expedient, efficient and cost effective manner. Buy-Back would increase the shareholder's value and would also help the company in fulfilling the following objectives:

- (i) The Buy-Back will help the Company to return surplus cash to its Members holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to the Members;

- (ii) The Buy-Back, which is being implemented through the 'Tender Offer' as prescribed under the SEBI Buy-Back Regulations, would involve allocation of 15% of the outlay to Small Shareholders. The Company believes that this reservation of 15% for Small Shareholders would benefit a large number of public shareholders, who would get classified as "Small Shareholder";
- (iii) The Buy-Back may help in improving return on equity due to reduction in the equity base, thereby leading to long term increase in shareholders' value;
- (iv) The Buy-Back will help in achieving an optimal capital structure.

The Buy-Back gives an option to the Members holding Equity Shares of the Company, to either (i) choose to participate and get cash in lieu of Equity Shares to be accepted under the Buy-Back Offer or (ii) choose to not participate and enjoy a resultant increase in their percentage shareholding, post the Buy-Back Offer, without additional investment.

**(b) Maximum amount required for Buy-Back, its percentage of the total paid up capital and free reserves and source of funds from which Buy-Back would be financed:**

The maximum amount required for Buy-Back will not exceed ₹ 2,620 Millions (Rupees Two Thousand Six Hundred and Twenty Millions) excluding transaction costs incurred or to be incurred for the Buy-Back, which is within 25% of the aggregate of the Company's paid-up equity share capital and free reserves as per the latest audited standalone financial statements of the Company as on March 31, 2018 and the same has been confirmed by the statutory auditors of the Company.

The proposed Buy-Back will be made out of its Securities Premium Account in the first instance and thereafter, if required, out of its Company's free reserves and / or such other sources as may be permitted by applicable law, through 'Tender Offer' route and as required by the SEBI Buy-Back Regulations, 2018 and the Companies Act, 2013 based on the latest audited standalone accounts of the Company for the financial year ended March 31, 2018 and that the payments shall be made out of the Company's current surplus and / or cash balances and / or current investments and / or cash available from internal resources of the Company (and not from any borrowed funds) and on such terms and conditions as the Board may decide from time to time at its absolute discretion. The Company confirms that it has got sufficient source to pay-off the consideration towards the Buy-Back and would not borrow funds for the said purpose.

The Company shall transfer a sum equal to the nominal value of the Equity Shares bought back through the Buy-Back to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited standalone financial statement.

**(c) Maximum price at which shares are proposed to be bought back and basis of determining the Buy-Back price:**

The Equity Shares of the Company are proposed to be bought back at a maximum price of ₹ 1,600/- (Rupees One Thousand Six Hundred only) per share. The Maximum Buy-Back Price has been arrived at after considering various factors including but not limited to the volume weighted average prices of the Equity Shares traded on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") where the Equity Shares are listed, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buy-Back on the earnings per Share. However, the Board is authorized to determine the specific price, the number of shares and other related particulars at which the Buy-Back will be made at the time of the Public Announcement for Buy-Back to the eligible Members.

The Maximum Buy-Back Price represents:

- (i) Premium of 52.45% and 50.64% over the volume weighted average market price of the Equity Shares on BSE and on NSE, respectively, during the three months preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy-Back.
- (ii) Premium of 60.07% and 58.11% over the volume weighted average market price of the Equity Shares on BSE and on NSE, respectively, for two weeks preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy-Back.

**(d) Number of shares that the Company proposes to Buy-Back:**

The Company proposes to Buy-Back 16,37,500 (Sixteen Lakhs Thirty Seven Thousand Five Hundred) number of fully paid-up equity shares of face value of ₹ 10/- each (Rupees Ten each) which is within 25% of total number of equity shares of the Company, representing 4.24% of outstanding number of fully paid-up equity shares of the Company as on March 31, 2018, at a maximum price of ₹ 1,600/- (Rupees One Thousand Six Hundred only) per Equity Share payable in cash for a total consideration not exceeding ₹ 2,620 Millions (Rupees Two Thousand Six Hundred and Twenty Millions) excluding transaction costs, which is within 25% of the aggregate of the Company's paid-up equity share capital and free reserve as per the latest audited standalone financial statements of the Company as on March 31, 2018.

The indicative number of shares to be bought back may vary depending upon the final Buy-Back size and the final Buy-Back price per equity share as may be decided by the Board or the Buy-Back Committee.

**(e) Method to be adopted for the Buy-Back:**

The Buy-Back shall be on a proportionate basis from all the Members holding Equity Shares of the Company through the "Tender Offer" route, as prescribed under the SEBI Buy-Back Regulations, to the extent permissible, as per the Mechanism for acquisition of shares through Stock Exchange as prescribed by SEBI from time to time. The Buy-Back will be implemented in accordance with the Companies Act and the Share Capital Rules to the extent applicable, and the Buy-Back Regulations and on such terms and conditions as may be deemed fit by the Company.

As required under the SEBI Buy-Back Regulations, the Company will announce a record date (the "Record Date") for determining the names of the Members holding Equity Shares of the Company who will be eligible to participate in the Buy-Back.

The Equity Shares to be bought back as a part of the Buy-Back is divided in two categories:

- (i) Reserved category for small shareholders; and
- (ii) General category for all other shareholders.

As defined in Regulation 2(i)(n) of the SEBI Buy-Back Regulations, a "small shareholder" is a shareholder who holds Equity Shares having market value, on the basis of closing price on Stock Exchanges having highest trading volume as on Record Date, of not more than ₹ 200,000/- (Rupees Two Hundred Thousand Only).

In accordance with the proviso to Regulation 6 of the SEBI Buy-Back Regulations, 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buy-Back or number of Equity Shares entitled as per the shareholding of small shareholders as on the Record Date, whichever is higher, shall be reserved for the small shareholders as part of this Buy-Back.

Based on the holding on the Record Date, the Company will determine the entitlement of each Member to tender their shares in the Buy-Back. This entitlement for each Member will be calculated based on the number of Equity Shares held by the respective Member as on the Record Date and the ratio of Buy-Back applicable in the category to which such Member belongs.

Members' participation in Buy-Back will be voluntary. Members holding Equity Shares of the Company also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Members, if any.

The maximum tender under the Buy-Back by any Member cannot exceed the number of Equity Shares held by the Member as on the Record Date.

The Equity Shares tendered by the Members as per their entitlement as well as additional shares tendered, if any, will be accepted as per the procedure laid down in SEBI Buy-Back Regulations. The settlement of the tenders under the Buy-Back is expected to be done using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular bearing CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, including any amendments thereof.

Detailed instructions for participation in the Buy-Back (tender of Equity Shares in the Buy-Back) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Members holding Equity Shares of the Company as on the Record Date.

The Buy-Back from Members who are residents outside India, including Foreign Corporate Bodies (including erstwhile Overseas Corporate Bodies) and Foreign Portfolio Investors, shall be subject to such approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India under Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 and the rules and regulations framed there under, and such approvals shall be required to be taken by such non-resident Eligible Shareholders

**(f) Time limit for completing the Buy-Back:**

The Buy-Back, subject to regulatory consents and approvals, if any, is proposed to be completed within one year from the date of the special resolution approving the Buy-Back.

**(g) Details of shareholding:**

The aggregate shareholding of the Promoter and Promoter Group, Person in Control of the Company, Directors and Key Managerial Personnel of the Company as on date of this notice is as follows:

**Shareholding of Promoter and Promoter Group and Person in Control of the Company:**

Sr. No	Name	Category	No. of Shares held	% Holding
1.	Mr. Priyadarshan Mundhra	Promoter	9,763,430	25.22
2.	Mr. Anjan Malik	Promoter	9,759,430	25.21
3.	Mr. Vijay Kumar Mundhra	Promoter Group	20,779	0.05
4.	Ms. Shweta Mundhra	Promoter Group	292	0.00
5.	Ms. Supriya Modi	Promoter Group	17,761	0.05
6.	Mr. Pawan Malik	Promoter Group	Nil	Nil

**Shareholding of Directors and Key Managerial Personnel:**

Sr. No	Name	Category	No. of Shares held	% Holding
1.	Mr. Anish Ghoshal	Non-Executive Independent Director	2	0.00
2.	Mr. Biren Gabhawala	Non-Executive Independent Director	6,231	0.02
3.	Mr. Pradeep Kapoor	Chairman & Non-Executive Independent Director	7,336	0.02
4.	Mr. Rohitash Gupta	Chief Financial Officer	10,165	0.03
5.	Mr. Pratik Bhanushali	Company Secretary & Compliance Officer	41	0.00

Except as stated above, none of the Directors or Key Managerial Personnel of the Company hold any Equity Shares in the Company.



- (h) **Aggregate number of shares or other specified securities purchased or sold by the (i) Promoter and Promoter Group, (ii) Person in Control of the Company during the 6 (six) months preceding the date of the Board meeting at which the proposal for Buy-Back was approved, i.e. March 14, 2019 (date of this Postal Ballot Notice) together with the details of the maximum and minimum price for such transaction are as follows:**

No Equity Shares of the Company have been purchased or sold or transferred by Promoter and Promoter Group and Persons in Control of the Company, during the period of 6 (six) months preceding the date of the Board Meeting at which the proposal for Buyback was approved i.e. March 14, 2019 (date of this Postal Ballot Notice).

- (i) **Intention of Promoter and Promoter Group to participate in the Buy-Back indicating the number of shares, details of acquisition with date and price:**

In terms of the SEBI Buy-Back Regulations, under the Tender Offer route, the Promoter and Promoter Group of the Company have an option to participate in the Buy-Back. Except Mr. Vijay Kumar Mundhra, Ms. Shweta Mundhra and Mr. Pawan Malik, all the persons belonging to the Promoter and Promoter Group of the Company, have vide their letters dated March 12, 2019 and March 13, 2019 as applicable, expressed their intention to tender their Equity Shares in the Buy-Back upto maximum of such number of shares which is equal to their respective entitlement under the Buy-Back.

Details of the date and price of acquisition of the Equity Shares held by the persons belonging to the Promoter and Promoter Group, who are participating in the Buy-Back are given below:

**A. Priyadarshan Mundhra**

Date of Acquisition/ Disposal	No. of Shares	Nature of Transaction	Nature of Consideration	Consideration (in ₹)
March 24, 2000	10	Subscription to Memorandum	Cash	100.00
May 30, 2000	4,980	Further Allotment	Cash	49,800.00
July 29, 2005	154,690	Bonus Issue	Nil	Nil
September 16, 2005	244,510	Bonus Issue	Nil	Nil
June 20, 2007	(625)	Gift	Nil	Nil
June 20, 2007	(625)	Gift	Nil	Nil
June 20, 2007	(625)	Gift	Nil	Nil
June 20, 2007	(10)	Gift	Nil	Nil
August 31, 2007	5,632,270	Bonus Issue	Nil	Nil
December 20, 2007	(356,000)	Offer for sale at Initial Public Offer ('IPO')	Cash	112,140,000.00
July 28, 2010	2,839,287	Bonus Issue	Nil	Nil
June 3, 2011	(600,000)	Sale	Cash	462,294,165.57
November 5, 2015	(250,000)	Sale	Cash	435,832,589.98
December 21, 2015	2,555,954	Bonus Issue	Nil	Nil
December 19, 2016	(254,819)	Buy-Back	Cash	509,638,000.00
March 13, 2018	(284,618)	Buy-Back	Cash	569,236,000.00
May 28, 2018	(22,949)	Open Market Sale	Cash	29,374,720.00
June 5, 2018	20,000	Gift of shares from Vijay Kumar Mundhra	Nil	Nil
June 6, 2018	(8,000)	Inter-se transfer of shares to Anjan Malik	Cash	10,246,400.00
June 11, 2018	90,000	Open Market Purchase	Cash	117,965,700.00
<b>Total Shareholding</b>	<b>9,763,430</b>			

**B. Anjan Malik**

Date of Acquisition/ Disposal	No. of Shares	Nature of Transaction	Nature of Consideration	Consideration (in ₹)
May 30, 2000	5,000	Allotment	Cash	50,000.00
July 29, 2005	155,000	Bonus Issue	Nil	Nil
September 16, 2005	245,000	Bonus Issue	Nil	Nil
August 11, 2007	(1,250)	Gift	Nil	Nil
August 11, 2007	(625)	Gift	Nil	Nil
August 11, 2007	(625)	Gift	Nil	Nil
August 31, 2007	5,635,000	Bonus Issue	Nil	Nil
December 20, 2007	(356,000)	Offer for sale at IPO	Cash	112,140,000.00
July 28, 2010	2,840,750	Bonus Issue	Nil	Nil
June 3, 2011	(600,000)	Sale	Cash	462,242,653.10
November 5, 2015	(250,000)	Sale	Cash	435,912,128.22
December 21, 2015	2,557,416	Bonus Issue	Nil	Nil
December 19, 2016	(254,965)	Buy-Back	Cash	509,930,000.00
March 13, 2018	(284,781)	Buy-Back	Cash	569,562,000.00
May 28, 2018	(28,490)	Open Market sale	Cash	36,467,200.00
June 6, 2018	8,000	Inter-se transfer of shares from Priyadarshan Mundhra	Cash	10,246,400.00
June 11, 2018	90,000	Open Market Purchase	Cash	117,990,000.00
<b>Total Shareholding</b>	<b>9,759,430</b>			

**C. Supriya Modi**

Date of Acquisition/ Disposal	No. of Shares	Nature of Transaction	Nature of Consideration	Consideration (in ₹)
June 20, 2007	625	Gift	Nil	Nil
August 31, 2007	8,750	Bonus Issue	Nil	Nil
July 28, 2010	4,687	Bonus Issue	Nil	Nil
December 21, 2015	4,687	Bonus Issue	Nil	Nil
December 19, 2016	(467)	Buy-Back	Cash	934,000.00
March 13, 2018	(521)	Buy-Back	Cash	1,042,000.00
<b>Total Shareholding</b>	<b>17,761</b>			

**(j) No Defaults:**

The Company hereby confirms that there are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

**(k) Confirmation from the Board:**

The Board has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that:

- (i) Immediately following the date of the Board meeting, and the date on which the results of Members' resolution passed by way of Postal Ballot / E-voting ("Postal Ballot Resolution") will be declared approving the Buy-Back, there will be no grounds on which the Company could be found unable to pay its debts;
- (ii) As regards the Company's prospects for the year immediately following the date of the Board meeting approving the Buy-Back as well as for the year immediately following the date of Postal Ballot Resolution, and having regard to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board meeting as also from the date Postal Ballot Resolution; and
- (iii) In forming an opinion as aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities), as if the Company was being wound up under the provisions of the Companies Act, 2013 or the Insolvency and Bankruptcy Code 2016.

**(l) Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment and the opinion formed by Directors regarding insolvency:**

The text of the Report dated March 14, 2019 received from S.R. Batliboi & Associates, Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

**Quote****Independent Auditor's Report on buy back of shares pursuant to the requirement of clause (xi) of Schedule I under Regulation 5(iv)(b) of Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended**

The Board of Directors  
eClerx Services Limited  
1<sup>st</sup> Floor, Sonawala Building, 29 Bank Street, Fort, Mumbai – 400 023

1. This Report is issued in accordance with the terms of our service scope letter dated March 8, 2019 and master engagement agreement dated April 18, 2015 with eClerx Services Limited (hereinafter the "Company").
2. In connection with the proposal of the Company to buy back its equity shares in pursuance of the provisions of Section 68 and 70 of the Companies Act, 2013 (the "Act") and Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the "Regulations"), and in terms of the resolution passed by the directors of the Company in their meeting held on March 14, 2019, which is subject to the approval of the shareholders of the Company, we have been engaged by the Company to perform a reasonable assurance engagement on the Statement of permissible capital payment towards buyback of equity shares (the "Statement"), which we have initialed for identification purposes only.

**Board of Directors Responsibility for the Statement**

3. The preparation of the Statement is the responsibility of the Board of Directors of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Board of Directors are responsible to make a full inquiry into the affairs and prospectus / offer document of the Company and to form an opinion that the Company will not be rendered insolvent within a period of one year from the date of meeting.

**Auditor's Responsibility**

5. Pursuant to the requirements of the Regulations, it is our responsibility to provide reasonable assurance on the following "Reporting Criteria":
  - (i) Whether the amount of capital payment for the buyback is within the permissible limit and computed in accordance with the provisions of Section 68 of the Act;
  - (ii) Whether the Board of Directors has formed the opinion, as specified in Clause (x) of Schedule I to the Regulations, on a reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the date of meeting;
  - (iii) Whether we are aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.
6. The standalone financial statements referred to in paragraph 5 above, have been audited by us, on which we issued an unmodified audit opinion vide our report dated May 23, 2018. Our audit of the standalone financial statements was conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free of material misstatement.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting criteria mention in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the Reporting Criteria. We have performed the following procedures in relation to the Statement:
  - (i) We have inquired into the state of affairs of the Company in relation to its audited standalone financial statements for the year ended March 31, 2018;
  - (ii) Examined authorization for buyback from the Articles of Association of the Company;
  - (iii) Examined that the amount of capital payment for the buy-back as detailed in Annexure A is within permissible limit computed in accordance with section 68 of the Act;
  - (iv) Examined that the ratio of debt owned by the Company, if any, is not more than twice the capital and its free reserve after such buy-back;
  - (v) Examined that all shares for buy-back are fully paid-up;
  - (vi) Examined resolutions passed in the meetings of the Board of Directors;
  - (vii) Examined Director's declarations for the purpose of buy back and solvency of the Company;
  - (viii) Obtained necessary representations from the management of the Company.

**Opinion**

10. Based on our examination as above, and the information and explanations given to us, in our opinion,
  - (i) the Statement of permissible capital payment towards buyback of equity shares, as stated in Annexure A, is in our view properly determined in accordance with section 68 of the Act; and
  - (ii) the Board of Directors, in their meeting held on March 14, 2019, have formed the opinion, as specified in clause (x) of Schedule I of the Regulations, on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of the meeting and we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of the declaration.

**Restriction on Use**

11. The certificate is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable them to include it (a) in the explanatory statement to be included in the postal ballot notice to be circulated to the shareholders, (b) in the public announcement to be made to the Shareholders of the Company, (c) in the draft letter of offer and letter of offer to be filed with the Securities and Exchange Board of India, the stock exchanges, the Registrar of Companies as required by the Regulations, the National Securities Depository Limited and the Central Depository Securities (India) Limited, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

**ICAI Firm Registration Number:** 101049W/E300004

**per Amit Majmudar**

Partner

Membership Number: 36656

Unique Document Identification Number: 19036656AAAAAE7588

Place of Signature: Mumbai

Date: March 14, 2019

**Annexure A**

**Statement of permissible capital payment towards buy back of equity shares in accordance with section 68(2)(c) of the Act and Regulation 4(i) of the Regulations based on the audited standalone financial statements for the year ended March 31, 2018**

<b>Particulars as on March 31, 2018</b>		<b>Amount (₹ in million)</b>	<b>Amount (₹ in million)</b>
Paid up equity share capital	A		386.29
<u>Free reserves as per section 68</u>			
Securities premium	B		114.80
Retained earnings	C		10,057.01
Less: Adjustments as per definition of free reserves as per section 2(43) of the Act	D		(56.82)
- Unrealized foreign exchange gain		(60.81)	
- Change in carrying amount of an asset or a liability measured at fair value		3.99	
Total paid up capital and free reserves	(A+B+C-D)		10,501.28
<b>Permissible capital payment in accordance with section 68(2)(c) of the Act (25% of the total paid-up equity capital and free reserves)</b>			<b>2,625.32</b>

**Unquote****(m) Confirmations from Company as per the provisions of SEBI Buy-Back Regulations and Companies Act:**

- (i) All the Equity shares are fully paid-up;
- (ii) The Company will not Buy-Back its shares so as to delist its shares from the Stock Exchange;
- (iii) That the Company will not Buy-Back its shares from any person through negotiated deals whether on or off the stock Exchanges or through spot transactions or through any private arrangement in the implementation of the Buy-Back;
- (iv) There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act;
- (v) The Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act.;
- (vi) The Company shall not issue any Equity Shares or other securities (including by way of bonus) till the date of closure of the Buy-Back;

- (vii) The Company shall not raise further capital for a period of one year from the expiry / closure of the Buy-Back offer, except in discharge of subsisting obligations;
- (viii) The Company shall not withdraw the Buy-Back after the draft letter of offer is filed with SEBI or the public announcement of the offer to Buy-Back is made;
- (ix) The Company shall not buy-back locked-in shares and non-transferable shares or other specified securities till the pendency of the lock-in or till the shares or other specified securities become transferable;
- (x) The special resolution approving the Buy-Back will be valid for a maximum period of one year from the date of passing the said special resolution (or such extended period as may be permitted under the Companies Act or the SEBI Buy-Back Regulations or by the appropriate authorities). The exact time table for the Buy-Back shall be decided by the Board (or its duly constituted Committee) within the above time limits;
- (xi) The equity shares bought back by the Company will be compulsorily cancelled in the manner prescribed under the SEBI Buy-Back Regulations and the Companies Act and will not be held for re-issuance;
- (xii) The ratio of the aggregate of secured and unsecured debts owed by the company after buy-back shall not be more than twice the paid-up capital and its free reserves;
- (xiii) The company shall not directly or indirectly purchase its own shares or other specified securities - (a) through any subsidiary company including its own subsidiary companies, (b) through any investment company or group of investment companies;
- (xiv) The equity shares bought back by the Company will be extinguished and physically destroyed in the manner prescribed under the SEBI Buy-Back Regulations and the Companies Act within 7 (seven) days of the last date of completion of the Buy-Back.

For any clarifications related to the Buy-Back process, Members holding Equity Share of the Company may contact any one of the following:

**(i) Company: eClerx Services Limited**

Contact Person: Mr. Pratik Bhanushali, Company Secretary  
 Sonawala Building, 1<sup>st</sup> Floor, 29 Bank Street, Fort, Mumbai – 400 023, India,  
 Ph. +91 (22) 6614 8301, Fax: +91 (22) 6614 8655, E-mail Id: [investor@eclerx.com](mailto:investor@eclerx.com).

**(ii) Manager to the Buy-Back: Emkay Global Financial Services Limited**

7<sup>th</sup> Floor, The Ruby, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028, Maharashtra  
 Email Id: [eClerx.buyback@emkayglobal.com](mailto:eClerx.buyback@emkayglobal.com)

All the material documents referred to in the Notice and Explanatory Statement such as the Memorandum and Articles of Association of the Company, relevant Board resolution for the Buy-Back, the Auditors Report dated March 14, 2019 and the audited standalone financial statements for period ending March 31, 2018 are available for inspection without any fees by the Members at the Company's registered office during normal business hours on any working day (except Saturday and Sunday) till 5.00 p.m. (IST), Thursday, April 25, 2019.

None of the Director, Key Managerial Personnel or their relatives are in any way interested in or concerned with the resolution in Item No. 1, except to the extent of their shareholding in the Company, if any.

In the opinion of the Board, the proposal for Buy-Back is in the interest of the Company and its Members holding Equity Shares of the Company. The Directors of the Company, therefore, recommend passing of the Special Resolution as set out at Item No. 1 of the accompanying Postal Ballot Notice.

By order of the Board of Directors  
 For **eClerx Services Limited**

**Sd/-**  
**Pratik Bhanushali**  
 Company Secretary  
 F8538  
 Mumbai, March 14, 2019

**Registered Office:**  
 Sonawala Building, 1<sup>st</sup> Floor, 29 Bank Street, Fort, Mumbai – 400 023  
 CIN: L72200MH2000PLC125319  
 Website: [www.eClerx.com](http://www.eClerx.com), E-mail: [investor@eclerx.com](mailto:investor@eclerx.com)  
 Tel: +91 (22) 6614 8301, Fax: +91 (22) 6614 8655



## eClerx Services Limited

CIN: L72200MH2000PLC125319

Regd. Office: Sonawala Building, 1st Floor, 29 Bank Street, Fort, Mumbai - 400 023, India

Phone No.: +91 (22) 6614 8301, Fax No.: +91 (22) 6614 8655

Email Id: [investor@eclerx.com](mailto:investor@eclerx.com), Website: [www.eclerx.com](http://www.eclerx.com)

### POSTAL BALLOT FORM

(Please read the instructions printed overleaf carefully before completing this Form)

Serial No. :

1. Name and Registered Address of :  
the sole/ first named shareholder

2. Name(s) of Joint-Holder(s), if any :

3. Folio No. /DP ID No.\* /Client ID No.\* :  
(\*Applicable to shareholders holding  
shares in dematerialized form)

4. No. of equity shares held :

5. I/We hereby exercise my/our vote in respect of the Special Resolution(s) to be passed through Postal Ballot for the business stated in the Notice of the Company dated March 14, 2019, by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark in the appropriate box below;

Item No.	Resolution	No. of shares held	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1.	Approval for Buy-Back of Equity Shares			

Date :

Place :

\_\_\_\_\_  
(Signature of the Member)

### ELECTRONIC VOTING PARTICULARS

EVEN (E-VOTING EVENT NUMBER)	USER ID	PASSWORD/PIN

#### NOTES:

1. For remote e-voting, please refer to the instructions for voting through electronic means provided in the Postal Ballot Notice.
2. The last date for receipt of Postal Ballot Forms by the Scrutinizer is Thursday, April 25, 2019 upto 5.00 p.m. (IST).

**Instructions:**

1. A Member can opt for only one mode of voting, i.e. either through Remote e-voting or by Postal Ballot Form. If a Member casts his/her vote using both the modes, then voting done through Remote e-voting shall prevail and Postal Ballot Form shall be treated as invalid. The voting period shall commence from Wednesday, March 27, 2019 at 9:00 a.m. (IST) and end on Thursday, April 25, 2019 at 5:00 p.m. (IST).
2. A Member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer at Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot No. 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500032 in the enclosed postage pre-paid self-addressed envelope.
3. This Form should be completed and signed by the Member (as per the specimen signature registered with the Company/Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Member and in his/her absence, by the next named Member.
4. 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 Board Resolution/Authorisation together with the specimen signature(s) of the duly authorised signatory(ies).
5. The consent must be accorded by recording the assent in the Column 'FOR' and dissent in the column 'AGAINST' by placing a tick mark (✓) in the appropriate column.
6. An incomplete, unsigned, incorrectly filled and ticked, defaced, torn, mutilated, overwritten, wrongly signed Postal Ballot Form will be rejected.
7. A Member need not use all his/her votes nor cast all his/her votes in the same manner. The right of voting by Postal Ballot cannot be exercised by a Proxy.
8. Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours at 5.00 p.m. (IST), on Thursday, April 25, 2019. Postal Ballot Forms received thereafter shall be treated as if reply from such Member has not been received.
9. A Member may request for a duplicate Postal Ballot Form. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified above.
10. Voting rights shall be reckoned on the paid-up value of the equity shares registered in the name of the Member(s) as on Friday, March 15, 2019.
11. The results of the Postal Ballot will be declared in the manner as specified in the Notice.
12. The Scrutinizer's decision on the validity of a Postal Ballot Form will be final.

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