

**IL&FS Education & Technology Services Limited**

Registered office: The IL&FS Financial Centre, 3rd Floor, Quadrant 'C', Plot C-22, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai, 400 051

Corporate Identification Number:U80220MH1997PLC112535

website:[www.ilfsets.com](http://www.ilfsets.com), Phone:+91 120 2459 200 Fax: +91 120 2459201

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**NOTICE**

Notice is hereby given that the Extraordinary General Meeting of IL&FS Education & Technology Services Limited will be held on Monday, December 14, 2015 at 9<sup>th</sup> Floor, The IL&FS Financial Centre, Plot C-22, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051 at 10.00 am to transact the following business:

**SPECIAL BUSINESS:**

- (1) **To approve re-appointment and remuneration of Mr. RCM Reddy as Managing Director of the Company**

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

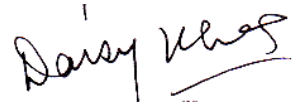
**“RESOLVED THAT** pursuant to Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to approval of the Central Government and such other consents and permission as may be required, Mr. RCM Reddy (holding DIN 00060073) be and is hereby re-appointed as the Managing Director of the Company for a further period of 3 years commencing from January 21, 2016 till January 20, 2019 at a consolidated remuneration not exceeding Rs. 45 mn (Rupees Forty Five Million) per annum inclusive of any remuneration directly or otherwise or by way of salary and perquisites, performance based rewards/ incentives, on the terms and conditions as set out in the Explanatory Statement annexed to this Notice, with liberty to the Board/ Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment in such manner as may be agreed be and between the Board/ Nomination and Remuneration Committee and Mr. RCM Reddy”

**“RESOLVED FURTHER THAT** in event of no profits or inadequacy of profits, in any financial year, during the currency of term of Mr. Reddy, the Company shall pay Mr. RCM Reddy, the existing remuneration as minimum remuneration by way of salary, perquisites and / or allowance, performance based rewards/ incentives exceeding the limit laid down in Schedule V to the Companies Act, 2013, as applicable to the Company or such other limits, as may be prescribed by the Central Government from time to time as to minimum remuneration and in compliance with

provisions stipulated therein subject to the prior approval of the Central Government if and to the extent necessary”

**“RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution.”

By Order of the Board of Directors  
For **IL&FS Education & Technology Services Limited**

A handwritten signature in black ink, appearing to read 'Daisy Khanna'.

Daisy Khanna  
**Company Secretary**

**Registered Office:**

The IL&FS Financial Centre, 3<sup>rd</sup> Floor,  
Plot C-22, G-Block, Bandra - Kurla Complex,  
Bandra (East), Mumbai, 400 051

Date: November 02, 2015

**NOTES:**

- (1) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect to the business stated above is annexed hereto
- (2) **A member entitled to attend and vote at the Extraordinary General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. The instrument appointing the proxy in Form MGT-11 annexed hereto, in order to be effective, should reach the registered office of the Company duly filled, stamped and signed at least 48 hours before the time of the meeting**
- (3) Corporate members intending to send their authorized representative (s) to attend the Meeting are requested to send to the Registered Office of the Company, a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting
- (4) Members are requested to fill-in and sign the attendance slip and hand it over at the entrance to the venue
- (5) Members are requested to notify any change in their address to the Company at its Registered Office in respect of shares held in physical form, quoting their Folio number
- (6) All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company’s Office at Aditya Textiles Inds. Compound Corduroy Bldg., Ground Floor, Unit No.1, Safed Pool, Andheri Kurla Road Mumbai 400 072, Maharashtra on all working days between 11.00 a.m. and 1.00 p.m upto the date of the Extraordinary General Meeting
- (7) In accordance with section 20 of the Companies Act, 2013, service of documents on members by a company is allowed through electronic mode. Accordingly, as a part of Green Initiative, soft copy of the Notice has been sent to members having E-mail Id registered with the Company unless any member has requested for a hard copy of the same

## EXPLANATORY STATEMENT

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

#### Item 1

Mr. RCM Reddy was appointed as Managing Director of the Company on January 21, 2010 and upon expiration of his tenure he was re-appointed in the Board Meeting held on November 7, 2012 for a period of 3 years with effect from January 21, 2013. Further, Mr. RCM Reddy was re-designated as Key Managerial Personnel of the Company as per Section 203 of the Companies Act, 2013

The present term of Mr. RCM Reddy as Managing Director of the Company (hereinafter referred to as Mr. Reddy) will expire by efflux of time on January 20, 2016. The Board of Directors at its meeting held on November 02, 2015, have recommended to re-appoint Mr. Reddy as Managing Director of the Company on the remuneration as recommended by the Nomination and Remuneration Committee for a further period of three years, commencing from January 21, 2016 and upto January 20, 2019 subject to necessary approvals. The Board had further authorised Nomination and Remuneration Committee to approve the revision in the remuneration from time to time within the limit as approved by the Board

In terms of Rule 7 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company, being Debt listed, shall obtain approval of the Central Government, Ministry of Corporate Affairs, if the remuneration paid to its Whole Time Director/ Executive Director exceeds the limits specified under Section 196, 197 read with Schedule V and applicable rules of the Companies Act, 2013

The appointment of Mr. Reddy is appropriate and in the best interest of the Company. Thus, the Board of Directors recommends the resolution set out at Item no.1 of the notice for your approval

The remuneration payable to the abovementioned Director is given below:

- (i) Fixed Compensation: Up to a maximum of Rs. 45 mn per anum (Rupees Forty Five Million) including Performance Linked Variable Remuneration (PLVR)

#### **Performance Linked Variable Remuneration (PLVR):**

Performance Linked Variable Remuneration according to the Scheme of the Company for each of the financial years as may be decided by the Nomination & Remuneration Committee/Board of Directors of the Company based on the performance of the abovementioned Director for each year

The following additional detailed information as per Section – II of Schedule V is as follows:

<b>I. General Information:</b>	
(a) Nature of industry	Service Sector
(b) Date or expected date of commencement of commercial production.	Business commenced in 1997, since the Company is into service sector, hence there is no date of commercial production
(c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable
(d) Financial performance based on given indicators.	Financial year 2014-15 Gross Revenue : Rs. 4401 Mn Profit after Tax : Rs. 280 Mn Rate of Dividend : 35% Earnings per Share: Rs. 7.49
(e) Foreign investments or collaborators, if any	The Company has not made any foreign investments and neither entered into any foreign collaborations
<b>II. Information about the appointee:</b>	
(a) Background details	Mr. RCM Reddy (an Ex- IAS Officer) holds Masters in Urban and Regional Planning with a Bachelor Degree in Civil Engineering from School of Planning and architecture (SPA), New Delhi. Graduation in (Bachelor Degree) Civil Engineering, Shri Venkateswara University, Tirupati, Andhra Pradesh. While in IAS, Mr. Reddy worked with Government of India, Government of Tripura, and several multi/bi lateral International institutions like National Expert, United Nations Industrial Development Organisation (UNIDO). Project Advisor, World Bank Assisted Rubber project and Managing Director. UNDP, GTZ, KfW etc. Member secretary (CEO), Textiles Committee, Government of India, Mumbai, (with additional charge as Joint Textile Commissioner to Govt. of India), Director of State Institute of Public Administration and Rural Development (SIPARD)

(b) Past remuneration	The remuneration drawn by Mr. Reddy during the past two years is as follows:	
	Year	Rs. in Mn
	2013-14 2014-15	20.73 30.76
(c) Recognition or awards	-	
(d) Job profile and his suitability	He is the Managing Director of the Company and devotes whole time attention to the management of the affairs of the Company and exercises powers under the supervision and superintendence of the Board of the Company	
(e) Remuneration proposed	It is proposed to pay consolidated remuneration to Mr. RCM Reddy up to Rs. 45 mn per annum (Rupees Forty Five Million) by way of salary and perquisites, performance based rewards/ incentives etc	
(f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses	
(g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Does not have any pecuniary relationship with the Company except remuneration drawn as Managing Director	
<b>III. Other information:</b>		
(a) Reasons of loss or inadequate profits	<p>Reduction in revenue is primarily due to the following :</p> <p>(i) The revenue during FY 2015 is majorly contributed by ICT practice from existing projects which has lower margins</p> <p>(ii) The Company had incurred higher finance cost for ongoing funds requirement of ICT projects</p> <p>(iii) New sanctions for Skill business materialized in later part of FY 2015 which could only be partly executed</p> <p>(iv) The anticipated new bids did not materialize as policy level changes by Central Government took longer than expected</p>	

(b) Steps taken or proposed to be taken for improvement	<p>Following steps taken by the Company for improvement:</p> <ul style="list-style-type: none"> <li>- Focus would be on stabilizing large projects and new business acquisition under the various business vertical group</li> <li>- The Company has earned significant mandates in last quarter of previous year, which would be executed in current year</li> <li>- The benefit of Non Convertible Debentures (NCDs) would result in lower borrowing cost</li> </ul>
(c) Expected increase in productivity and profits in measurable terms	Barring unforeseen circumstances, the Company hopes to increase the revenue and profits by improved margins in current year

**Information pursuant to 1.2.5 of the Secretarial Standard on General Meetings (SS- 2) regarding Director seeking appointment / re-appointment**

**Mr. RCM Reddy**

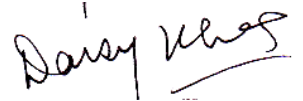
Age	51 Years
Qualifications	Mr. RCM Reddy (an Ex- IAS Officer) holds Masters in Urban and Regional Planning with a Bachelor Degree in Civil Engineering from School of Planning and architecture (SPA), New Delhi. Graduation in (Bachelor Degree) Civil Engineering, Shri Venkateswara University, Tirupati, Andhra Pradesh
Experience	27 Year
Terms and conditions of appointment or re-appointment	<p>(i) Tenure of this appointment shall be three years with effect from January 21, 2016</p> <p>(ii) The Managing Director of the Company is the Whole Time Director of the Company and shall not be liable to retire by rotation. The Managing Director would be employed on a whole-time basis and will not be permitted to undertake any other business, work or public office, honorary or remunerative, except with the written permission of the Competent Authority in each case</p> <p>(iii) The Managing Director shall be entitled to such other privileges, allowance, facilities and amenities in</p>

	<p>accordance with rules and regulations as may be applicable to other employees of the Company and as may be decided by the Board, within the overall limits prescribed under the Act</p> <p>(iv) Managing Director will cease to be Director on cessation of his employment with the Company</p> <p>(v) The appointment shall be governed by Section 196, 197, 203 read with Schedule V of the Companies Act, 2013 and rules made thereunder</p> <p>(vi) The separation from this engagement could be effected by either side giving three month's notice</p>
Last drawn remuneration	Rs. 30.76 mn
Date of first appointment on the Board	January 21, 2010
No. of share held	NIL
Relationship with Directors, Managers & KMP	Not related
Number of Board Meeting attended during FY 2015	4
Other Directorship	<ol style="list-style-type: none"> <li>1. IL&amp;FS Cluster Development Initiative Limited</li> <li>2. IL&amp;FS Skills Development Corporation Limited</li> <li>3. APPTEx Marketing Services &amp; Solutions Limited</li> <li>4. Jharkhand e-Governance Solutions &amp; Services Limited</li> <li>5. Karnataka Enterprise Solutions Limited</li> <li>6. Flora and Animal Resources Management Private Limited</li> </ol>
Chairman/ Member of the Committees of Boards of other companies	<ol style="list-style-type: none"> <li>1. IL&amp;FS Skills Development Corporation Limited <ul style="list-style-type: none"> <li><b><u>Chairman</u></b> Share-allotment-cum transfer-Committee</li> <li><b><u>Member</u></b> Corporate Social Responsibility Committee Committee of Directors</li> </ul> </li> <li>2. IL&amp;FS Cluster Development Initiative Limited <ul style="list-style-type: none"> <li><b><u>Member</u></b> Committee of Directors Corporate Social Responsibility Committee</li> </ul> </li> </ol>



Except, Mr. RCM Reddy, no Directors, Key Managerial Personnel or their relatives are interested or concerned in the resolution relating to appointment of Mr. RCM Reddy

By Order of the Board of Directors  
For **IL&FS Education & Technology Services Limited**



Daisy Khanna  
**Company Secretary**

**Registered Office:**

The IL&FS Financial Centre, 3<sup>rd</sup> Floor,  
Plot C-22, G-Block, Bandra - Kurla Complex,  
Bandra (East), Mumbai, 400 051  
Date: November 02, 2015

**ATTENDANCE SLIP**

The Folio No. and Name(s) of the Member(s) is / are to be furnished below in block letters

Folio No..... No. of Shares held .....

Client ID ..... DP ID .....

Full Name(s) of Member / Joint Members

1..... 2.....

3..... 4.....

Full Name of the Proxy if attending the meeting .....

I hereby record my presence at the Extraordinary General Meeting of IL&FS Education & Technology Services Limited held on December 14, 2015 at 10 am at 9<sup>th</sup> Floor, The IL&FS Financial Centre, Plot C-22, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051

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Signature of the Member / Joint Members / Proxy attending the Meeting

Please complete this attendance slip and hand it over at the entrance of the Meeting hall.

**Form No. MGT-11**

**Proxy form**

**[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

CIN: U80220MH1997PLC112535

Name of the Company: IL&FS Education & Technology Services Limited

Registered Office: The IL&FS Financial Centre, 3<sup>rd</sup> Floor, Quadrant 'C', Plot C-22, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai, 400 051

Name of the member(s)	
Registered Address	
E-Mail ID	
Folio No/ Client Id	
DP ID	

I/we, being the member (s) of ..... Shares of the above named company, hereby appoint

1. Name:.....Address:.....

E-mail Id: .....Signature:....., or failing him

2. Name:.....Address:.....

E-mail Id: .....Signature:....., or failing him

3. Name:.....Address:.....

E-mail Id: .....Signature:....., as my/our

proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extraordinary General Meeting of the Company, to be held on Monday, December 14, 2015 at 10.00 am at 9<sup>th</sup> Floor, The IL&FS Financial Centre, Plot C-22, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051 and at any adjournment thereof in respect of Special resolution as indicated below:

Resolution No.	Resolution	Number of shares held	For	Against
<b>Special Business</b>				
1.	To approve re-appointment and remuneration of Mr. RCM Reddy as Managing Director			

Signed this..... Day of ..... 2015

Affix Revenue Stamp
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Signatures of shareholder .....

Signatures of Proxy holder(s).....

**Note:**

1. The Proxy to be effective should be deposited at the Registered office of the company not less than FORTY EIGHT HOURS before the commencement of the Meeting
2. A Proxy need not be a member of the Company
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members
4. The form of Proxy confers authority to demand or join in demanding a poll
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting

### ROUTE MAP TO THE VENUE

