

## THINKSOFT GLOBAL SERVICES LIMITED

Regd.Off: 6A, Sixth Floor, Prince Infocity II, 283/3 & 283/4, Rajiv Gandhi Salai (OMR), Kandanchavadi, Chennai - 600096

### **NOTICE**

Notice is hereby given that the Sixteenth Annual General Meeting of Thinksoft Global Services Limited will be held on Thursday, July 24, 2014 at 3.30 p.m. at Sri Thyaga Brahma Gana Sabha, P.Obul Reddy Hall, Vani Mahal, 103, G.N.Chetty Road, T. Nagar, Chennai -600017 to transact the following business:

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014 and the Profit and Loss Account for the year ended as on that date together with the reports of the Board of Directors' and Auditors' thereon.
2. To declare a final dividend of Rs.4/- per equity share of the face value of Rs. 10/- for the financial year 2013-14.
3. To appoint a Director in place of Mr. Gireendra Kasmalkar (DIN-01723047) who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013 at this Annual General Meeting and being eligible offers himself for re-appointment.
4. To re-appoint the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of third consecutive Annual General Meeting and to fix their remuneration and in this regards pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (corresponding to Section 224 and other applicable provisions, if any, of the Companies Act, 1956), M/s. PKF Sridhar & Santhanam, Chartered Accountants, (Firm Registration No 003990S), be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of third consecutive Annual General Meeting, subject to ratification by the shareholders annually at every Annual General Meeting, at a remuneration to be decided by the Board of Directors.

#### **SPECIAL BUSINESS**

##### **5. Appointment of Mr. K. Kumar as an Independent Director**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. K. Kumar ( DIN - 02343860), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and who, pursuant to the provisions of the Companies Act, 2013 is required to be appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act,2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019, not liable to retire by rotation."

**"RESOLVED FURTHER** that pursuant to the provisions of sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr.K.Kumar be paid such fees and remuneration and profit related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time."

##### **6. Appointment of Dr.S.Rajagopalan as an Independent Director**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Dr.S.Rajagopalan ( DIN - 01584674), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and who, pursuant to the provisions of the Companies Act, 2013 is required to be appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act,2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019, not liable to retire by rotation."

**"RESOLVED FURTHER** that pursuant to the provisions of sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Dr. S. Rajagopalan be paid such fees and remuneration and profit related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time."

**7. Appointment of Mr. Rajiv Kuchhal as an Independent Director**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Rajiv Kuchhal ( DIN - 02257381), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and who, pursuant to the provisions of the Companies Act, 2013 is required to be appointed as an independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act,2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019, not liable to retire by rotation."

**"RESOLVED FURTHER** that pursuant to the provisions of sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Rajiv Kuchhal be paid such fees and remuneration and profit related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time."

**8. Appointment of Mr. Ulrich Bäumer as an Independent Director**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Ulrich Bäumer ( DIN - 06763831), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and who, pursuant to the provisions of the Companies Act, 2013 is required to be appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act,2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019, not liable to retire by rotation."

**"RESOLVED FURTHER** that pursuant to the provisions of sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ulrich Bäumer be paid such fees and remuneration and profit related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time."

**9. Re-Designation of Dr. Martin Müller as Managing Director and CEO and approval of his Service Agreement**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014, approval of the members of the Company be and is hereby accorded for the re-designation of Dr. Martin Müller (DIN 06744669) as Managing Director and CEO of the Company with effect from July, 01, 2014 upto December 26, 2016 upon terms and conditions including remuneration, as per the agreement entered into by the Company with Dr. Martin Müller."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as 'Board') be and is hereby authorized to vary and/or modify the terms and conditions of the Agreement that may be entered as set out in the said draft agreement including remuneration payable to Dr. Martin Müller in such manner as may be agreed between the Board and Dr. Martin Müller and within the limits as prescribed in Schedule V of the Companies Act, 2013 including any amendment, modification, variation or re-enactment thereof."

**"RESOLVED FURTHER THAT** the remuneration payable to Dr. Martin Müller shall be within 10% of the net profits of the Company."

**"RESOLVED FURTHER THAT** in the event of any loss, absence or inadequacy of the profits of the Company in any financial year, during the term of office of Dr. Martin Müller, the remuneration mentioned in the above referred agreement shall be paid to Dr. Martin Müller as minimum remuneration and the same shall be subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013."

**"RESOLVED FURTHER THAT** any revision in the remuneration payable to Dr. Martin Müller shall be within the overall limits as approved by the members in terms of this resolution and as recommended by the Nomination and Remuneration Committee to the board for its approval, from time to time."

**"RESOLVED FURTHER THAT** the board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any committee of directors to give effect to the aforesaid resolution."

**10. To approve the payment of remuneration to Directors other than Managing Director or Whole- time Director.**

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

**"RESOLVED** that pursuant to the provisions of Section 197 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, be paid to and distributed amongst the directors other than the managing director or whole-time directors of the Company or some or any of them in such amounts or proportions and in such manner and in all respects as may be decided and directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each financial year, for a period of five financial years commencing from April 01, 2014.

**"RESOLVED FURTHER** that the above remuneration shall be in addition to fee payable to the director(s) for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings."

**"RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to take such steps as the Board may consider necessary or expedient to give effect to this resolution."

**11. Change in the name of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of the Registrar of Companies and any other authority as may be necessary, the consent of the members be and is hereby given to change in the name of the Company from Thinksoft Global Services Limited to SQS INDIA BFSI Limited.

**"RESOLVED FURTHER THAT** consequent to the change, the name Thinksoft Global Services Limited wherever appearing in the Memorandum and Articles of Association, documents etc. be substituted by the new name SQS INDIA BFSI Limited upon approval of the same by the Central Government."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company, Mr. N. Vaidyanathan, CFO and Ms. S. Akila, Company Secretary be and are hereby severally authorized to make the necessary application to the Central Government for the approval of the aforesaid name and to take all such steps that may be required to give effect to this resolution."

**By order of the Board of Directors  
For Thinksoft Global Services Limited**

**S. Akila  
Company Secretary**

**Place:** Chennai  
**Date :** June 21, 2014

**Corporate Identification Number (CIN):** L64202TN1998PLC066604

## Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

The proxy form duly completed and signed, should be lodged with the Company, at its registered office at least 48 hours before the commencement of the meeting. Corporate members intending to send their Authorised Representatives to attend the meeting are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the meeting.

2. Members/Proxies should bring the duly filled Attendance Slip / Identification Form enclosed herewith to attend the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 19, 2014 to Thursday July 24, 2014 (both days inclusive) for annual closing and determining the entitlement of the shareholders to the final dividend for 2013-14.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
5. The Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
6. Subject to the provisions of the Companies Act 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, to those Members whose name appear on the Register of Members as on July 18, 2014. The Interim Dividend of Rs.5/- per share was paid on October 17, 2013.
7. All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the Meeting and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11.00 a.m. to 1.00 p.m. on all days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the annual general meeting.
8. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary, at the Company's registered office or Karvy Computershare Private Limited. Members are requested to note that dividend not encashed or claimed within seven years from the date of transfer to the Company's unpaid dividend account, will as per Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund.
9. All communications relating to shares may please be addressed to the Company's Share Transfer Agent at the following address:  
  
M/s. Karvy Computershare Private Limited  
Cyber Villa, Plot No. 17-24, Vittal Rao Nagar  
Madhapur, Hyderabad - 500 081.  
Tel : +91 40 2342 0818  
Fax: +91 40 2342 0814  
Email: einward.ris@karvy.com
10. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and update the savings bank account details with their respective depository participants. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.
11. Electronic copy of the Notice of the 16<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 16<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
12. Members may also note that the Notice of the 16<sup>th</sup> Annual General Meeting and the Annual Report for 2014 will also be available on the Company's website [www.thinksoftglobal.com](http://www.thinksoftglobal.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [investor@thinksoftglobal.com](mailto:investor@thinksoftglobal.com).

13. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 16<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Karvy Computershare Private Limited. As per the provisions of the Companies Act 2013, it may be noted that Voting by show of hands will not be available to the members.

**The procedure and instructions for e-voting are as follows:**

- i) To use the following URL for e-voting: <https://evoting.karvy.com>
- ii) Enter the login credentials i.e., user-id & password
  - a. In case a Member receives an email [for members whose email IDs are registered with the Company/Depository Participants(s)]; your folio/DP Client ID will be your User-ID. Your unique password is forwarded via email along with the notice.
  - b. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]: User ID and Password shall be as mentioned in the Identification Form sent along with the notice.
- iii) After entering the details appropriately, Click on LOGIN.
- iv) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z) one lower case (a-z), one numeric value (0-9) and one special character. System will prompt you to change your password and update any contact details like mobile #, email ID etc on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- v) You need to login again with the new credentials.
- vi) On successful login, system will prompt to select the 'Event' i.e., '**Thinksoft Global Services Limited**'.
- vii) If you are holding shares in Demat form and had logged on to "<https://evoting.karvy.com>" and casted your vote earlier for any company, then your exiting login id and password are to be used.
- viii) 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. Your eligible votes need not to be cast in the same manner. 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" in case you wish to abstain from voting. If you do not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- ix) Shareholders holding multiple folios/demat account shall choose the voting process separately for each folios/demat account.
- x) 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' your vote on the resolution, 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.
- xi) 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 the attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail [alagar@geniconsolutions.com](mailto:alagar@geniconsolutions.com)
- xii) Once you have cast your vote on a resolution you will not be allowed to modify it subsequently.
- xiii) The portal will remain open for voting from 10.00 a.m. on July 18, 2014 to 5.00 p.m. on July 20, 2014 (both days inclusive).
- xiv) The Company is providing to the Members facility to cast their vote by electronic means. Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, June 20, 2014 and not casting their vote electronically, shall be allowed to cast their vote at the Annual General Meeting.
- xv) In case of any queries you may refer to the Frequently Asked Questions (FAQa) 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 Private Limited at 040 44655000 or at 1800 345 4001 (toll free).
- xvi) The results of the e-voting will be announced by the Company in its website and also be informed to stock exchanges.

- II. Mr. M. Alagar, of M. Alagar & Associates, Company Secretaries, (Membership No. FCS: 7488) (Address : No,34, 1<sup>st</sup> Floor, Padmanabhan Street, T.Nagar, Chennai-600017) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- III. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

**INFORMATION AS REQUIRED UNDER CLAUSE 49 (IV) (G) (i) OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS BEING RE-APPOINTED/APPOINTED:**

**Item no. 3 : Re-appointment of Mr. Gireendra Kasmalkar:**

Mr. Gireendra Kasmalkar (Aged: 49 yrs) has a degree in Mechanical Engineering from IIT Mumbai (1987) and a masters in Mechanical Engineering University of South Carolina, USA, (1989). Beginning his career with Tata Consultancy Services, he has been an entrepreneur for most of his 25 years in the IT industry. His initial business was in the CAD-CAM space, before starting his independent software testing business. VeriSoft, one of India's earliest and leading independent testing companies was founded by Gireendra. In July 2008, SQS Software Quality Systems AG – a global leader in independent testing, acquired majority stake in VeriSoft. With its headquarters in Germany, SQS has its operations spread out in 15 countries and is listed on the London Stock Exchange. In addition to being a Managing Director & CEO of SQS India, Gireendra is also currently in the Cabinet of the SQS Group, and on the board of SQS USA.

Gireendra has been a speaker at various international conferences on Software Testing and PLM. He is actively involved in various industry forums, currently as a charter member and Governing Council member of TiE Pune. He is the founder of Software Process Improvement Network (SPIN), Pune. He was also the Chairman of Computer Society of India (CSI) - Pune chapter and Core group member of the Mahratta Chamber Gaming and Animation Group.

Mr. Gireendra Kasmalkar does not hold any equity shares in the Company.

Companies (other than Thinksoft Global Services Limited) in which Mr. Gireendra Kasmalkar holds directorship and committee memberships are as under:

**Directorships:**

- SQS India Infosystems Pvt Ltd.
- SQS USA Inc

**Chairman of Board Committees:**

None

**Member of Board Committees:**

None

For details of, Mr.K.Kumar, Dr.S.Rajagopalan, Mr. Rajiv Kuchhal, Mr. Ulrich Bäumer and Dr. Martin Müller , please refer to the below Explanatory Statement in respect of Special Business set out at item no.5 to 9 of the notice of AGM pursuant to Section 102 of the Companies Act, 2013.

**Annexure to the Notice**

**Explanatory Statement Pursuant to Section 102(2) of the Companies Act, 2013**

**Item no.5 : Appointment of Mr. K.Kumar as independent director**

Mr. K.Kumar (Aged: 57 yrs) is the Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in September 2008.

Mr.K.Kumar (DIN 02343860) holds a bachelor's degree in Electrical & Electronics Engineering (Madurai Kamaraj University) which he followed up earning both the PGDM and Fellowship (Doctoral level) qualifications from the Indian Institute of Management, Bangalore (IIM-B). Kumar has over two decades of experience as a corporate manager, consultant, entrepreneur and in academia. In his current role as the Apeejay Surrendra Chair Professor of Family Business and Entrepreneurship at the NS Raghavan Centre for Entrepreneurial Learning (NSRCEL), Indian Institute of Management Bangalore (IIM-B), he works closely with many start-ups and growth seeking businesses. His corporate experience includes Consulting role in TATA Consulting Services (1991-95) and as CEO (1995-2001) and President (2005-2006) in Trigent Software Ltd.

Mr. K.Kumar holds 1,000 equity shares of the Company.

Companies (other than Thinksoft Global Services Limited) in which Mr.K.Kumar holds directorships and committee memberships are as under:

**Directorships:**

IIMB Innovations (Section 25 Company under Companies Act, 1956)

**Chairman of Board Committees:**

None

**Member of Board Committees:**

None

Mr.K.Kumar is a Director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. Under the Companies Act, 2013, it is required that independent directors not be liable to retire by rotation and be appointed for a fixed term. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr.K.Kumar being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term upto March 31, 2019. A notice has been received from a member proposing Mr.K.Kumar as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr.K.Kumar fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Copy of the draft letter for appointment of Mr.K.Kumar as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr.K.Kumar as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr.K.Kumar as an Independent Director, for the approval by the shareholders of the Company.

Under the Companies Act, 2013, independent directors can only receive fees under the provisions of section 197(5) and profit related commission as may be approved by the members. Accordingly, approval of the members is also being sought for the purposes of payment of fees and profit related commission, which amounts may be decided by the Board / Nomination and Remuneration Committee from time to time, subject to the limits prescribed under the Companies Act, 2013 and rules made thereunder.

Except Mr.K.Kumar, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

**Item no.6 : Appointment of Dr.S.Rajagopalan as independent director**

Dr. S. Rajagopalan (Aged: 59 yrs) is the Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in September 2008.

Dr. S. Rajagopalan (DIN 01584674) is a Bachelor of Technology (B.Tech) in Chemical Engineering from Indian Institute of Technology, Post Graduate Diploma in Management from Indian Institute of Management, Bangalore and he has earned doctorate for thesis titled "Innovations in Multi Organisational Settings" from Indian Institute of Technology, Kanpur. He was the CEO of the Karnataka State Council for Science and Technology for 14 years and also was founder and chairman of TIDE an NGO. He was awarded Ashoka Fellowship in the year 1994, Fellow of the Salzburg Seminar in the year 1999 and finalist of Social Entrepreneur of the year in 2006. Dr. S Rajagopalan was listed as one of the 50 pioneers of change by India today Magazine in the year 2008. Currently he is a professor at the International Institute of Information Technology, Bangalore.

Dr. S. Rajagopalan holds 1,000 equity shares of the Company.

Companies (other than Thinksoft Global Services Limited) in which Dr. S. Rajagopalan holds directorships and committee memberships are as under:

**Directorships:**

Spatial Data Private Limited

IIITB Innovation Centre

Sustaintech India Private Limited

**Chairman of Board Committees:**

None

**Member of Board Committees:**

None

Dr. S. Rajagopalan is a Director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. Under the Companies Act, 2013, it is required that independent directors not be liable to retire by rotation and be appointed for a fixed term. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Dr. S. Rajagopalan being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term upto March 31, 2019. A notice has been received from a member proposing Dr. S. Rajagopalan as a candidate for the office of Director of the Company.

In the opinion of the Board, Dr. S. Rajagopalan fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Copy of the draft letter for appointment of Dr. S. Rajagopalan as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Dr. S. Rajagopalan as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Dr. S. Rajagopalan as an Independent Director, for the approval by the shareholders of the Company.

Under the Companies Act, 2013, independent directors can only receive fees under the provisions of section 197(5) and profit related commission as may be approved by the members. Accordingly, approval of the members is also being sought for the purposes of payment of fees and profit related commission, which amounts may be decided by the Board / Nomination and Remuneration Committee from time to time, subject to the limits prescribed under the Companies Act, 2013 and rules made thereunder.

Except Dr. S. Rajagopalan, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

**Item no.7 : Appointment of Rajiv Kuchhal as independent director**

Mr. Rajiv Kuchhal (Aged: 49 yrs) is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in September 2011.

Mr. Rajiv Kuchhal (DIN 02257381) is a B.Tech graduate and has nearly 28 years of management experience with 16 years in Infosys. He was instrumental in establishing product engineering services practice at Infosys, heading the practice till 2001. Rajiv was one of the founding members of Infosys BPO (earlier Progeon), the business process outsourcing (BPO) subsidiary of Infosys Technologies where he was the Head of Operations and subsequently the Head of Business Transformation. He subsequently worked with OnMobile as its Chief Operating Officer. He is the Member of Audit Committee and Nomination and Remuneration Committee of the Company. Mr. Rajiv Kuchhal and his relatives hold 117,692 Shares of the Company representing 0.98% of Total Paid-up share capital of the Company.

Companies (other than Thinksoft Global Services Limited) in which Mr. Rajiv Kuchhal holds directorship and committee memberships are as under:

**Directorships:**

- DesiCrew Solutions Private Limited
- Invendis Technologies India Private Limited
- Ipomo Communications India Private Limited
- Hippocampus Learning Centres Private Limited
- Desicrew Services Kaup Private Limited
- Jatan Securities Private Limited
- Obopay Mobile Technology India Private Limited



**Chairman of Board Committees:** Nil

**Member of Board Committees:** Nil

Mr. Rajiv Kuchhal is a Director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. Under the Companies Act, 2013, it is required that independent directors not be liable to retire by rotation and be appointed for a fixed term. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Rajiv Kuchhal being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term upto March 31, 2019. A notice has been received from a member proposing Mr. Rajiv Kuchhal as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Rajiv Kuchhal fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Copy of the draft letter for appointment of Mr. Rajiv Kuchhal as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Rajiv Kuchhal as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Rajiv Kuchhal as an Independent Director, for the approval by the shareholders of the Company.

Under the Companies Act, 2013, independent directors can only receive fees under the provisions of section 197(5) and profit related commission as may be approved by the members. Accordingly, approval of the members is also being sought for the purposes of payment of fees and profit related commission, which amounts may be decided by the Board / Nomination and Remuneration Committee from time to time, subject to the limits prescribed under the Companies Act, 2013 and rules made thereunder.

Except Mr. Rajiv Kuchhal, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 7. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

**Item no.8 : Appointment of Mr. Ulrich Bäumer as independent director**

Mr. Ulrich Bäumer (Aged: 44 yrs) is the Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in December 2013.

Mr. Ulrich Bäumer (DIN 06763831) is a qualified lawyer with a German state law qualification from the University of Cologne (1996) and the Court of Darmstadt (1997). He also holds a diploma in English Law from the National University of Wales (1993), and a masters in Law (LL.M) International Law and Intellectual Property from George Washington University (1997). Ulrich Bäumer is a partner in the technology group of the international law firm Osborne Clarke. He advises the clients of the firm mainly in the area information technology and outsourcing. He drafts and negotiates complex international IT project (especially outsourcing) contracts and assists the technology clients of the firm in M&A transactions. He also advises in all other aspects of technology and licensing law. He advised many German and international companies on data centre and R&D centre outsourcings- onshore, nearshore and offshore. Ulrich Bäumer has successfully worked on and finalised 150 + international outsourcing projects in the last 15 years. German business newspaper Wirtschaftswoche ranks him as one of the highly recommended IT lawyers in Germany.

Mr. Ulrich Bäumer does not hold any equity shares of the Company.

Companies (other than Thinksoft Global Services Limited) in which Mr. Ulrich Bäumer holds directorships and committee memberships are as under:

**Directorships:**

None

**Chairman of Board Committees:**

None

**Member of Board Committees:**

None

Mr. Ulrich Bäumer is a Director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. Under the Companies Act, 2013, it is required that independent directors not be liable to retire by rotation and be appointed for a fixed term. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013,

Mr. Ulrich Bäumer being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term upto March 31, 2019. A notice has been received from a member proposing Mr. Ulrich Bäumer as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Ulrich Bäumer fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Copy of the draft letter for appointment of Mr. Ulrich Bäumer without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Ulrich Bäumer as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Ulrich Bäumer as an Independent Director, for the approval by the shareholders of the Company.

Under the Companies Act, 2013, independent directors can only receive fees under the provisions of section 197(5) and profit related commission as may be approved by the members. Accordingly, approval of the members is also being sought for the purposes of payment of fees and profit related commission, which amounts may be decided by the Board / Nomination and Remuneration Committee from time to time, subject to the limits prescribed under the Companies Act, 2013 and rules made thereunder.

Except Mr. Ulrich Bäumer, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 8. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

#### **Item no.9: Re-Designation of Dr. Martin Müller as Managing Director and CEO and approval of Service Agreement**

Dr. Martin Müller (Aged: 48 yrs) was appointed as an Executive Director liable to retire by rotation, by the Shareholders through Postal Ballot on March 17, 2014. It was mentioned that the terms of appointment shall be fixed subsequently subject to the approval of the Shareholders.

Dr. Martin Müller (DIN 06744669) has a PhD in economics from the University of Kassel (2000/10) and a degree in economics from the University of Hanover (1993). Dr. Martin Müller joined SQS in 2010 as Head of Market Unit West Germany with strong sales focus before taking over the role of Director Operations Germany (COO Germany) in 2013. In that position Dr. Martin Müller was responsible for all project employees in Germany, including recruitment, project staffing and personnel management of around 700 employees. Dr. Martin Müller gained his longtime experience in leadership of managing IT related business consulting services in several reputable consulting companies. Before coming to SQS he was acting as Executive Partner at IBM Global Business Services and as Managing Director at Plaut Business Consulting. He is particularly experienced in conception and realization of extensive and multi-layered projects regarding increase in efficiency and restructuring.

Approval of the Member is being sought for the re-designation of Dr. Martin Müller as Managing Director and CEO and approving the terms of appointment as recommended by the Nomination and Remuneration Committee in the meeting held on May 29, 2014.

The material terms of appointment and remuneration as contained in the Agreement are given below: -

- I) The date of appointment of Dr. Martin Müller shall be w.e.f. December 27, 2013. The tenure shall be for a period of three years and the remuneration shall be payable with effect from July 01, 2014 upto December 26, 2016.
- II) Salary :
  - a. Annual gross salary: EUR 195,000. 70% of the Gross Salary shall be fixed component (fixed gross salary) and 30% of the Gross Salary shall be variable component (variable gross salary). 50% of the variable component will be made as an advance payment on a monthly basis.
  - b. If the net salary is lower than an amount of EUR 117,000 due to tax and social security contributions, Company will compensate the difference, by increasing the gross salary to bring it to a level where the net salary is at least EUR 117,000, subject to the limits provided under the Companies Act 2013.
- III) Variable Pay: The Variable compensation shall be based on the achievement of a set of parameters as may be decided by the Board of Directors of the Company or any Committee thereof from time to time. The parameters considered would broadly consist of:
  - a. Achievement of EBIT of SQS Group ;
  - b. Successful Integration of Thinksoft with SQS;
  - c. Alignment of Thinksoft reporting to SQS standards and definitions;
  - d. Personal integration in the Thinksoft leadership team.

- IV) The total overall remuneration payable to Dr. Martin Müller shall be within 10% of the net profits of the Company calculated as per the Companies Act 2013.
- V) Shall be eligible for bonus payment based on evaluation as per the criteria fixed by the remuneration committee / Board and on their approval, subject to the overall limits specified by the Companies Act, 2013.
- VI) The Board of Directors or Committee thereof may, in their discretion, increase the remuneration of Dr. Martin Müller, subject to a maximum of 10% of the previous year's salary but within the limits stipulated under the Companies Act 2013 and the limits specified under Item no. II above.

VII) Perquisites:

1. In addition to the Remuneration as stated above, Dr. Martin Müller shall be entitled to the following perquisites:
  - a. Rent-free furnished residential accommodation with facilities and amenities, such as air conditioners, geysers, kitchen equipment's, furniture etc. subject to an annual ceiling of EUR 40,000. In case no accommodation is provided by the Company, he shall be entitled to House Rent Allowance as per policy of the Company.
  - b. Use of Company maintained car with driver with an annual limit of EUR 12,000.
  - c. Children Education expenses whether abroad or in India, average of EUR 25,000 p.a.
  - d. Air passage and/or leave travel allowance for self, spouse and dependent children, for visit to home town upto EUR 20,000 p.a.
  - e. Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalization upto EUR 5,000 p.a.
  - f. Air/Sea passage together with cost of transportation of household belongings to such places as may be approved by the Board of Directors at the time of joining and leaving the service of the Company and Expenses on shifting of residence upto EUR 40,000 per shifting.
  - g. Compensation of Disadvantages - EUR 3,000 p.a.
  - h. Reimbursement of Tax advisor - cost EUR 5,000 p.a.

The value of the perquisites shall be as per Income-tax Rules, 1962, wherever applicable, and at cost in the absence of any such Rule, and the same shall be considered for the purposes of computing the total remuneration payable.
2. The Board of Directors or Committee thereof may, in their discretion, revise/modify any of the terms from time to time, within the limits stipulated.

VIII) Minimum Remuneration:

Notwithstanding anything herein contained, where in any financial year during the period of his office as a Whole-time Director, the Company has no profits or its profits are inadequate, the Company may, subject to the requisite approvals, pay Dr. Martin Müller remuneration by way of salary, allowances, perquisites not exceeding the maximum limits laid down in Section II of Part II of Schedule V of the Companies Act, 2013 (corresponding to Para 1 of Section II of Part II of Schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and Dr. Martin Müller.

- IX) Other Terms: Dr. Martin Müller shall, subject to the superintendence, control and direction of the Board of Directors, manage and conduct the business and affairs of the Company He shall not be paid any sitting fee for attending meetings of the Board or Committee thereof. The appointment can be terminated by Dr. Martin Müller or the Company, by either party giving to the other 6(six) calendar months' prior notice in writing.
- X) The period of office of Dr. Martin Müller shall be liable to determination by retirement of directors by rotation. If Dr. Martin Müller is re-appointed as a director, immediately on retirement by rotation he shall continue to hold office of Managing Director and such re-appointment as director shall not be deemed to constitute break in his appointment as a Managing Director.
- XI) in case of pre-mature cessation / termination of Service, Dr. Martin Müller shall not have any right to receive any severance pay as per Section 202 of the Companies Act, 2013, and has expressly waived his rights in this regard forth with.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956), the Board recommends the Special Resolution set out at item no. 9 of the accompanying Notice for the approval of the Members.

Pursuant to Section 190 of the Companies Act, 2013 a copy of the Agreement referred to in the Resolution would be available for inspection by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday, upto and including the date of the Annual General Meeting.

Dr. Martin Müller is not a Director in any other Company and does not hold any equity shares of the Company. Other than Dr. Martin Müller being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 9.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange

**Item no.10: To approve the payment of remuneration to directors other than Managing Director or Whole Time Director**

As per the provisions of Clause 49 (IB) of the Listing Agreement and Section 197 of the Companies Act, 2013, all fees/ compensation, payable to Non - executive directors shall be fixed by the Board of Directors and shall require prior approval of Shareholders in general meeting. Pursuant to the same, the approval of the Members, is sought for payment of commission to Non – executive Directors as set out in the resolution at Item No. 10 of this Notice.

The Board recommends the resolution as set out at Item No. 10 for the approval of the Members.

All the Non- executive Directors and their relatives are deemed to be interested in the resolution set out at Item No.10.

None of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives are in any way, financial or otherwise, concerned or interested in the said resolutions.

**Item no.11: Change in the name of the Company**

Pursuant to the Share Purchase Agreement and completion of Open Offer under SEBI (Substantial Acquisition and Takeover) Regulations, 2011, SQS Software Quality Systems AG has acquired 53.35% Controlling Interest in the Company in April 2014. Further, SQS Software Quality Systems AG have been classified as Promoter who has appointed majority of directors in the Board of the Company and has the right to control the management and policy decisions of the Company and other rights as available under applicable law. The Board of Directors felt that it would be appropriate to have the name of the Company be changed to include SQS in its name. This will help in identification of the Company as part of the SQS Group which has its operations across the globe and who are now the promoters and the holding Company of Thinksoft.

Subject to the approval of the Registrar of Companies and the Central Government, the Board of recommends the resolution set out in item no. 11 for change in the name of the Company to SQS INDIA BFSI Limited for the approval of the Members.

None of the directors or Key Managerial Personnel (KMP) of the Company or their relatives are in any way, financial or otherwise, concerned or interested in the said resolutions.

**By order of the Board of Directors  
For Thinksoft Global Services Limited**

**S. Akila  
Company Secretary**

**Place:** Chennai  
**Date :** June 21, 2014