

PACE AUTOMATION LIMITED

CIN : L29141TN1989PLC018133

Registered Office : Empee Towers, V Floor, No. 59, Harris Road, Pudupet,
Near By Hotel Ashok, Chennai, Tamil Nadu 600002

NOTICE OF POSTAL BALLOT AND E-VOTING

Dear Members,

Notice pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014

Notice is hereby given that, pursuant to Section 110 of the Companies Act, 2013 ("the Act") read with Companies (Management and Administration) Rules, 2014 (the "Rules"), PACE AUTOMATION LIMITED (the "Company") is seeking consent of its Members for the Special Businesses to be transacted through Postal Ballot, which includes voting by electronic means for the following items:

- 1) Approval for change of the Object clause of the Memorandum of Association of the Company;

The proposed resolution along with Explanatory Statement setting out the material facts and the reasons thereof are appended along with the Postal Ballot Form for your consideration.

Mrs.Lakshmmi Subramanian, Practising Company Secretary (C.P. No.1087) has been appointed by the Company as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

Please read carefully the instructions printed on the back of the Postal Ballot Form and return the Original signed form duly completed in all respects either by register post or speed post or through courier service or through hand delivery so as to reach the Scrutinizer, Pace Automation Limited, "Empee Towers" No.59, Harris Road, Pudupet, Chennai, Tamilnadu - 600002 . by 07.05.2016, before 5.00 p.m. Please note that any Postal Ballot Form(s) received after the said date will be treated as if no reply has been received from the member.

E-Voting

In compliance with the Listing Agreement and provisions of Section 110 of the Act read with the Rules, e-voting facility is being provided to all the members which would enable them to cast their votes electronically.

The Company has engaged Central Depository Services (India) Limited (CDSL) for providing the e-voting facility through its platform.

The process and manner for e-voting is provided in the notice. In case a member votes through e-voting facility, he/ she is not required to vote through Postal Ballot Form. In case a member votes through e-voting facility as well as sends his/ her vote through Postal Ballot Form, the vote cast through e-voting shall be considered and the voting through Postal Ballot Form shall not be considered by the Scrutinizer.

The e-voting will commence on 07.04.2016 at 9.00 a.m and will end on 07.05.2016 at 5.00 p.m.

The results, together with the Scrutinizer's Report, will be announced on 09.05.2016 at the registered office of the Company and will be displayed on the website of the Company i.e., www.paceautomation.com and also on the website of CDSL besides being communicated to Metropolitan Stock Exchange of India Limited on which the shares of the Company are listed.

RESOLUTIONS PUT THROUGH POSTAL BALLOT

Item No.1

Approval for change of the Object clause of the Memorandum of Association of the Company;

To consider and if thought fit, to assent/ dissent to the following Special Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 and subject to the necessary approval of the Registrar of Companies, the existing Memorandum of Association of the company be and is hereby altered/ modified/ amended as under:

a) the existing main object clause of the Memorandum of Association be altered by inserting the following new sub clause 6 to 9 under the main objects of the Company after the present sub clause 5"

6-To carry on the business of issue, servicing and dealing in all kinds of payment products, providing payment facilities or any other payment service, collect deposits, facilitate payments through physical and digital format, to provide Micro Banking Services and to act as business correspondent for Banks and Insurance Companies and to engage in all businesses as may be related or ancillary to the aforesaid business areas.

7-To carry on the business of software solutions including payment solutions, Internet applications including but not limited to Internet of Things (IOT), Business Process Outsourcing and related software services including but not limited to real time data processing, provision of management information system, data analytics, business intelligence and to carry on business of Software development and to provide software solutions to IT (Information Technology) Industries, banks, financial institutions and electronic card payment industries.

8-To develop and provide end-to-end business solutions involving hardware, software, interfaces, and techniques and to develop, market and install system and application software products and services to private sector, public sector, government, and other organisations in India and abroad.

9-To provide globally managed data networks and related services, including but not limited to cloud services, managed services , business process outsourcing services, customer care centres, customer relationship management, back office processing, data entry, medical transcription, IT services, multimedia services, internet based services, data centre management and consulting, interface services applications including all types of end to end integrated solutions involving information systems, developing, designing, marketing of communication platform(s), with features and functionality including those related to social, commerce, messaging, communication, gaming and other online services and advisory services in relation to developing, designing, marketing, trading, transferring, exporting, importing, buying and selling all types of mobile applications including gaming, web applications and websites for mobile phones or any other communication device, equipment, appliances, accessories whether corded or cordless and to engage in all businesses as may be related or ancillary to the aforesaid business areas.

b) The existing Clause III-B “ Objects incidental or Ancillary to the attainment of the Main Objects” be substituted by the new sub-heading i.e “ Matters which are necessary for furtherance of the Objects specified in Clause III-A” with the existing objects appearing under sub clause 1 to 39 thereof

c) And that the existing sub clauses 1 to 12 as appearing under the existing Clause III-C i.e “Other Objects” be under the existing Clause III-A i.e.” The Main objects to be pursued by the Company on its incorporation are” and Clause III-A be renumbered from 1 to 21

RESOLVED FURTHER THAT any of the Directors and/ or Company Secretary be and are hereby severally authorised to do and perform or cause to be done and perform all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto including signing and filing all the e-forms and other documents with any statutory authorities and to settle and finalise all issues that may arise in this regard and the Board of Directors is also authorized to delegate all or any of the powers or authorities herein conferred to any Directors or other officials of the Company, without further reference to the shareholders of the Company.

By Order of the Board,
for PACE AUTOMATION LIMITED

Place : Chennai

Date : 21.03.2016

S.G.CHANDRU
Managing Director

Notes:

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 is annexed hereto.
2. The Notice, together with the documents accompanying the same, is being sent to all the members by email/ registered post / speed post / permitted mode(s) whose names appear in the Register of Members/ list of Beneficial Owners as received from the National Securities Depository Services Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) or Registrar and Share Transfer Agent as at 18.03.2016, at their respective registered/ last known address. The Notice will be displayed on the website of the Company (www.paceautomation.com) and of CDSL (<https://evotingindia.com>)
3. Members have the option either to vote through the e-voting process or through the postal ballot form.
4. A postal ballot form is enclosed. Members who have received the postal ballot notice by e-mail and who wish to vote through postal ballot form, can download the postal ballot form from the Company's website (www.paceautomation.com) or seek duplicate postal ballot form from the Company or Registrar at investor@cameoindia.com
5. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected. There will be only 1 (one) postal ballot form for every registered folio /client ID irrespective of the number of joint members.
6. The postal ballot form should be completed and signed by the Shareholder (as per specimen signature registered with the Company and/or furnished to NSDL/ CDSL). In case, shares are jointly held, this form should be completed and signed by the first named member and, in his/her absence, by the next named member. Holder(s) of Power of Attorney (“PoA”) on behalf of a Shareholder may vote on the postal ballot mentioning the registration number of the PoA with the Company or enclosing a copy of the PoA authenticated by a notary. In case of shares held by companies, societies etc., the duly completed postal ballot form should be accompanied by a certified copy of the board resolution/ authorization giving the requisite authority to the person voting on the postal ballot form.
7. In compliance with provisions of the equity Listing Agreement, the Company is pleased to offer e-voting facility to its Members holding equity shares as on 18.03.2016, to exercise their right to vote electronically on the above resolutions. For this purpose, the Company has signed an agreement with CDSL for facilitating e-voting.

Procedure for Voting

A. Casting of Vote in Electronic Form (E-voting)

For the purpose of offering e-voting facility, the Company has entered into an agreement with the CDSL. E-voting is optional for Members. A member who wishes to vote by the Postal Ballot Form (instead of e-voting) can use the enclosed Postal Ballot Form or download it from CDSL website link www.cdslindia.com or www.paceautomation.com. This brief procedure for e-voting is as under:

- (i) log on to the e-voting website : www.evotingindia.com
- (ii) Click on “ Shareholders ”
- (iii) Now, select the “ PACEAUTOMATION LIMITED “ from the drop down menu and click on “ SUBMIT”
- (iv) Now enter your user ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the image verification as displayed and click on “ Login”
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and 8 digits of the sequence number of demat account/folio number in the PAN field. In case the sequence number of demat account / folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
Dividend Bank Details/ Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both details are not recorded with the depository or the Company, Please enter the member ID/ folio number in the Dividend Bank Details field.

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the Electronic Voting Sequence Number (EVSN) of Pace Automation Limited

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non-Individual Shareholders and Custodians

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Question ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

(xx) The Company has appointed Mrs.Lakshmmi Subramanian, Practising Company Secretary (C.P. No.1087) as Scrutiniser for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

B. Casting of Vote through Postal Ballot Form

(i) Members desiring to cast their vote through Postal Ballot Form are requested to execute the Postal Ballot Form as per the instructions stated therein and send the same to the Scrutinizer, Pace Automation Limited, "Empee Towers" No.59, Harris Road, Pudupet, Chennai, Tamilnadu - 600002 either by registered post or speed post or through courier service or through hand delivery.

(ii) The vote can be cast by recording the assent in the column FOR and dissent in the column AGAINST by placing tick mark in the appropriate column

- (iii) The member need not use all the votes nor need to cast all the votes in the same way
- (iv) Members are requested not to send any other paper / document , except as mentioned in point no.7 of instructions, along with the Postal Ballot Form. If sent, the same paper / document would not be acted upon.
- (v) Members can download the Postal Ballot Form from the link www.cdslindia.com or www.paceaautomation.com or seek a duplicate Postal Ballot Form from cameo Corporate Services Limited, the Registrar and Share Transfer Agents of the company, from their office at Subramanian Building , No.1, Club House Road, Chennai600002 and fill in the details and send the same to the Scrutinizer.
- (vi) Kindly note that the members can opt only one mode of voting i.e either by the Postal Ballot Form or the E-Voting. If you are opting for the E-voting, then do not vote by the Postal Ballot Form also and vice versa. However, in case a member has voted both through the Postal Ballot Form as well as through the E-voting, then voting done through E-Voting shall prevail and voting done through the Postal Ballot Form will be treated as invalid.
- (vii) The Company has appointed Ms. Lakshmmi Subramanian, Practicing Company Secretary (CP No.1087) as the scrutinizer for conducting the entire Postal Ballot Process in a fair and transparent manner.
- (viii) You are requested to carefully read the instruction printed on the Postal Ballot Form and return the Original Form duly completed either by registered post or speed post or by courier service or through hand delivery, so as to reach the Scrutinizer, at the Registered Office of the Company on or before 5.00 p.m. on 07.05.2016. No other request / details furnished along with the postal ballot form will be entertained. The Postal Ballot Forms received after this date and time will be strictly treated as if the reply from the concerned member has not been received.
- (ix) The Scrutinizer will submit her report to Chairman of the Company or , in his absence, to any other designated Director or the Company Secretary of the Company after completion of scrutiny of all votes received through the Postal Ballot Form and E-voting facility offered by the Company in this regard. The result of voting by the Postal Ballot will be announced at 5.00 p.m. on 09.05.2016 at the Registered Office of the Company. Additionally the result will be communicated to the Metropolitan Stock Exchange of India Limited. The results of the Postal Ballot will also be displayed on the Company website: www.paceaautomation.com and on the website of CDSL (www.cdslindia.com)

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

Item No.1

The Company is at present carrying on the business of software solution to such non banking companies. The Board of Directors of the company at their meeting held 21.03.2016 have also decided to carry on the additional business of micro finance activities and software/information technology related activities.

Since the Present main objects of Memorandum of Association doesn't contain any explicit clause enabling the company to carry out the above activities, the Board of Directors of your Company have decided to insert new clause 6to 9 after the sub-clause 5 of the main objects of Memorandum of Association of the company so as to enable the company to carry on the above businesses.

Further in order to alien with the new Companies Act 2013, it is necessary to add the sub clauses 1 to 12 as appearing under the existing Clause III-C under the existing Clause III-A and the clause III-A after inclusion of above sub caluses has to be renumbered as 10 to 21 .

Further the board of directors of your company is having adequate knowledge and experience in the above field and your company also possesses the necessary infrastructure facilities required for the above activities and the said business can also be combined advantageously with the existing business of the company.

Since the alteration of object clause of Memorandum of Association requires the approval of the shareholder the Board recommends the above resolution to be passed by the shareholders through postal ballot.

The Existing Memorandum of Association as on date along with the proposed amendments is available for inspection at the registered office of the company, on all working days (except Saturdays, Sundays and public holidays) between 11.00 am to 1.00 pm upto the date of closing of e-voting or last date of receipt of Postal Ballot Forms i.e., 07.05.2016.

The Board recommends the resolution as set out at Item No. 1 of the Notice for approval of Members as a Special Resolution.

None of the Promoters, Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding as Members.

By Order of the Board,
for **PACE AUTOMATION LIMITED**

Place : Chennai

Date : 21.03.2016

S.G.CHANDRU
Managing Director

PACE AUTOMATION LIMITED

CIN:L29141TN1989PLC018133

Registered Office : Empee Towers, V Floor, No.59, Harris Road, Pudupet, Chennai - 600 002

INSTRUCTIONS

POSTAL BALLOT VOTING FORM

1. Name and Registered Address of the sole / first shareholder
2. Name(s) of the Joint holder(s) if any
3. Registered Folio No. / DP ID No. and Client ID No.*
(* Applicable to Shareholders holding Equity Shares in dematerialized form)
4. Number of Equity share(s) held
5. E-voting Event Number (EVEN)
6. USER ID
7. I/we hereby exercise my / our vote in respect of the Special Resolution to be passed through the Postal Ballot for the business stated in the notice of the Company by sending my / our assent or dissent to the said resolution by placing tick mark in the appropriate box below

Description	No. of Equity Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Special Resolution for approval of change of the Object clause of the Memorandum of Association of the Company.			

Place :

Date :

Signature of the Shareholder(s)

Last date for receipt of Postal Ballot Form:07.05.2016

Note: Please read carefully the instructions printed overleaf before exercising the vote.

1. This Postal Ballot Form is provided for the benefit of members who do not have access to e-voting facility
2. A member can opt for only one mode of voting, i.e either through e-voting facility offered by the Company in this regard or the Postal Ballot Form. If a member casts vote by both modes, then voting done through e-voting shall prevail and the Postal Ballot Form shall be treated as invalid
3. For detailed instructions on e-voting, please refer to the notes and instructions appended to the Notice

Process and manner for Members opting to vote by using the Postal Ballot Form:

1. Member(s) desirous to exercise vote by the Postal Ballot may complete this Postal Ballot Form and send it so as to reach the Scrutinizer, Pace Automation Limited, "Empee Towers" No.59, Harris Road, Pudupet, Chennai, Tamilnadu - 600002 either by registered post or speed post or through courier service or through hand delivery.
2. Please convey your assent/dissent in this Postal Ballot Form or through E-voting. The assent or dissent received in any other form shall not be considered valid.
3. The Postal Ballot Form should be completed and signed by the member (as per the specimen signature registered with the Company or furnished by National Securities Depository Limited (NSDL) / Central Depository Service (India) Limited (CDSL), in respect of Equity shares held in the physical form or dematerialized form respectively. In case of joint holding, this Form must be completed and signed by the first named member and in his / her absence, by the next named member.
4. unsigned, incomplete or incorrectly ticked Postal Ballot Forms shall be rejected
5. Duly signed and completed Postal Ballot Forms should reach the Scrutinizer, Pace Automation Limited, "Empee Towers" No.59, Harris Road, Pudupet, Chennai, Tamilnadu - 600002 either by registered post or speed post or through courier service or through hand delivery. not later than 5.00 p.m on 07.05.2016. Postal Ballot Form received after this date will be strictly treated as if the same has not been received from the member.
7. In the case of equity shares held by institutions, companies, trusts, societies etc; the duly completed Postal Ballot Form should be accompanied by a certified copy of the B o a r d Resolution / Authority together with the specimen signature(s) of the duly authorized signatories.
8. A member may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than 5.00 p.m on 07.05.2016.
9. The exercise of vote through the Postal Ballot is not permitted through a proxy
10. Members are requested to fill the Postal Ballot in indelible ink (and avoid filling it by erasable writing medium(s) like pencil)
11. Voting rights shall be reckoned on the Equity Shares registered in the name(s) of the member(s) /list of beneficial owners as received from NSDL/ CDSL on the cut-off date i.e.18.03.2016
12. Members are requested not to send any other paper along with the Postal Ballot Form, except as mentioned in point No.7 of instructions. If any extraneous papers are found, the same shall not be acted upon and may be destroyed by the Scrutinizer
13. There will be one Postal Ballot Form for every Folio/Client ID, irrespective of the number of joint holders.
14. The Scrutinizer's decision on the validity of the Postal Ballot will be final
15. The results of voting shall be declared on 09.05.2016. The results declared along with Scrutinizer's Report shall be placed on the Company website: www.paceautomation.com and on the website of CDSL (www.cdslindia.com) and communicated to the Metropolitan Stock Exchange of India Limited.