



XEROX INDIA LIMITED

CIN: U72200HR1995PLC049183

Registered Office: 5th Floor, Block One, Vatika Business Park, Sector 49, Sohna Road, Gurgaon – 122018, Haryana (India);

Phone: +91 (124) 39400400; Fax: +91 (124) 3371225

Website: www.xerox.com/india; E-mail: askus@xerox.com

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

Dear Member(s),

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013 (the “Act”) read with the Companies (Management and Administration) Rules, 2014 (“**Chapter VII Rules**”) including any statutory modifications, re-enactments or amendments thereto that Xerox India Limited (hereinafter referred to as “**the Company**”) proposes to sell/ transfer its contract R&D support services division named as Xerox Research Centre India (hereinafter referred to as “**XRCI**”) as “going concern” and by way of a slump sale to Xerox Business Services India Private Limited, a subsidiary of Affiliated Computer Services International B.V., Netherlands (“**ACS**”) (a subsidiary/associate of Xerox Corporation, the ultimate parent company/promoter of the Company) with effect from the close of business hours on 31st December 2016 (“**Proposed Transaction**”).

The proposed transaction being in the nature of selling of the whole or substantially the whole of the undertaking of the Company, therefore, it requires approval of members by way of a Special Resolution under the provisions of Section 180(1)(a) of the Act and applicable Rules thereunder.

In terms of Section 2(76) of the Act, any other subsidiary company of the Company’s ultimate holding company (fellow subsidiary) i.e. Xerox Corporation, would qualify as a related party of the Company. Further, as the Proposed Transaction is not in ordinary course of business of the Company and is in the nature of selling or otherwise disposing of property of any kind, approval of members by way of an Ordinary Resolution pursuant to the provisions of Section 188 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014 (“**Chapter XII Rules**”) would also be required.

Accordingly, the proposed Special Resolution and Ordinary Resolution (collectively referred to as the “**Resolutions**”) and the Statement setting out material facts thereof is being sent to you along with a Postal Ballot Form for your consideration.

In compliance with the provisions of Section 110 of the Act read with Chapter VII Rules thereunder, the Company also offers e-voting option to all the Members. For this purpose, the Company has made an arrangement with National Securities Depository Limited (“**NSDL**”) for facilitating e-voting as an alternate for the Members to enable them to cast their vote electronically instead of returning the duly completed Postal Ballot Form (“**Form**”).

The Members are requested to read the instructions printed on the Form carefully for the voting via physical ballot / electronic mode. The Members who opt for voting via physical ballot are requested to send the Form duly completed and signed, in the enclosed self-addressed postage prepaid envelope (if posted in India) so as to reach the Scrutinizer on or before the close of working hours on Monday, 12th December 2016. Postal Ballot Form(s), if sent at the expense of the Member(s), will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given on the self-addressed envelope.

Kindly note that members can opt for only one mode of voting, i.e. either by physical ballot or by e-voting. If you are opting for e-voting, then do not vote by physical Ballot also and vice versa. However, in case a member has voted both in physical as well as e-voting, then voting done through valid physical ballot shall prevail and voting done by e-voting shall be treated as invalid.

In accordance with Chapter VII Rules, the Notice of the Postal Ballot shall be uploaded on the Company's website www.xerox.com/india under 'Legal/2016 Notices' section.

The Board of Directors of the Company has appointed Mr. Ranjeet Pandey of M/s Ranjeet Pandey & Associates, Practicing Company Secretaries, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The Scrutinizer will submit his report to the Managing Director or the Company Secretary of the Company after completion of the scrutiny of the Postal Ballots and the result thereof will be announced on or before 13th December 2016 at the Registered Office of the Company and intimated to the NSDL. Additionally, the result will be uploaded on the Company's website www.xerox.com/india

In the event the Resolutions are approved by requisite majority of the Members, the date of declaration of the result shall be deemed to be the date of passing of the said Resolutions.

ITEM NO. 1:

SALE/TRANSFER OF CONTRACT R&D SUPPORT SERVICES DIVISION (XRCI)

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules 2014 and any other applicable rules framed thereunder, Memorandum and Articles of Association of the Company and subject to other approvals, consents, permissions and sanctions as may be required from the concerned statutory / regulatory authorities and subject to such terms and conditions as may be imposed by them, if any, consent of the Company, be and is hereby accorded to the Board of Directors of the Company (the **“Board”**, which expression shall include any Committee thereof) to sell/ transfer the Company's contract R&D support services division named as Xerox Research Centre India (hereinafter referred to as **“XRCI”**), along with all the employees as well as all assets and liabilities pertaining to XRCI including the concerned licenses, permits, consents, approvals whatsoever, as a “going concern” and by way of a slump sale to Xerox Business Services India Private Limited, a subsidiary of Affiliated Computer Services International B.V., Netherlands (**“ACS”**) (having Xerox Corporation as ultimate holding/parent company) with effect from the close of business hours on 31st December 2016 for a lump sum consideration of INR 525 million.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof, determining the exact effective date (if needed to be changed), truing up the value as on the/nearer to the closing date, i.e. 31st December 2016, and finalizing and executing necessary documents, including contracts, schemes, agreements, deeds of assignment / conveyance and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental authorities in this regard if required, and deal with any matters, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is, hereby authorised to delegate all or any of the powers herein conferred, to any Director and/or Chief Financial Officer and/or Company Secretary and/or any other Officer(s)/ Authorised Representative(s) of the Company to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects.”

ITEM NO. 2

APPROVAL OF RELATED PARTY TRANSACTION

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other

applicable rules, if any, including any statutory modifications, amendments or re-enactments to each of the foregoing, and applicable notifications, clarifications, circulars, rules and regulations issued by any competent authority in India from time to time, to the extent applicable, and subject to the Memorandum and Articles of Association of the Company, the requisite approvals, if any, of any relevant statutory, regulatory or governmental authorities, and further subject to such terms and conditions as may be prescribed by any such authority while granting such approvals as may be necessary, the consent, approval and authority of the Company, be and is hereby granted to the Board of Directors of the Company (the “**Board**”, which expression shall include any Committee thereof) to enter into related party transaction in relation to the proposed sale/ transfer by the Company of its Contract R&D support services division, namely Xerox Research Centre India (XRCI) along with all the employees as well as all assets and liabilities pertaining to XRCI including the concerned licenses, permits, consents, approvals whatsoever thereby involving selling or otherwise disposing of property of any kind to Xerox Business Services India Private Limited, a subsidiary of Affiliated Computer Services International B.V., Netherlands (“**ACS**”) (having Xerox Corporation as ultimate holding/ parent company).

RESOLVED FURTHER THAT the all agreements, documents, deeds, papers etc. executed for the purpose of these transactions, under the authority of the Board of Directors of the Company and all acts, deeds and things done in this regard, be and are hereby ratified, approved and confirmed.

RESOLVED FURTHER THAT the Board, be and is, hereby authorised to delegate all or any of the powers herein conferred, to any Director and/or Chief Financial Officer and/or Company Secretary and/or any other Officer(s) / Authorised Representative(s) of the Company to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things as may be necessary from time to time for giving effect to the above resolutions, to approve any alteration or modification to the transaction documents from time to time on such terms and conditions as the Board may deem fit in the best interest of the Company and to settle any questions, difficulty or doubt that may arise with regard to giving effect to the above resolutions, as it may deem necessary in its discretion.”

**By Order of the Board of Directors
For Xerox India Limited**

**Rajiv L. Jha
Company Secretary & DGM Legal
Membership No.: F5948**

Gurgaon

7th November 2016

Regd. Office:

5th Floor, Block One, Vatika Business Park, Sector 49,
Sohna Road, Gurgaon – 122018 Haryana (India);

Phone: +91 (124) 39400400; **Fax:** +91 (124) 3371225

Website: www.xerox.com/india; **E-mail:** askus@xerox.com

Notes:

- 1) An Explanatory Statement pursuant to Section 102(1) of Companies Act, 2013 setting out the material facts and reasons for the proposed resolutions at Item Nos. 1 & 2 above, is appended herein below alongwith the Postal Ballot Form for your consideration.
- 2) Notice along with the Explanatory Statement setting out Material Facts and the Postal Ballot Form is being sent to the Members:
 - (a) whose names appeared as Beneficial Owners as at the end of business hours on 4th November 2016 in the list of Beneficial Owners furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of shares held in dematerialized form; and
 - (b) whose names appeared as Members in the Register of Members of the Company on 4th November 2016.
- 3) As per Section 110 of the Act, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, Notice of Postal Ballot may be served on the Members, inter-alia, through electronic means. Members,

who have registered their e-mail IDs with depositories or with the Company, are being sent this Notice of Postal Ballot along with Explanatory Statement and Postal Ballot Form by e-mail and the members who have not registered their e-mail IDs will receive Notice of Postal Ballot along with Explanatory Statement and Postal Ballot Form through courier/speed post/registered post.

- 4) Voting Period/postal ballot period commences on and from 9:00 a.m. (IST) on 13th November 2016 and ends at 5:30 p.m. (IST) on 12th December 2016. A member cannot exercise his vote by proxy on postal ballot.
- 5) Members who have received Postal Ballot Notice by e-mail and who wish to vote through physical Form may download the Form attached in the e-mail or from the link www.evoting.nsdl.com or from the 'Legal/2016 Notices/Postal Ballot Notice' section on the Company's website www.xerox.com/india and send the duly completed and signed Form to the Scrutinizer.
- 6) Assent / Dissent received after 12th December 2016 would be strictly treated as if reply from the shareholder has not been received.
- 7) As per Rule 22 of the Companies (Management and Administration) Rules, 2014, inter-alia, details of dispatch of Notice and Postal Ballot Form to the Shareholders will be published in at least one English language newspaper and one vernacular language newspaper.
- 8) The Scrutinizer will submit his report to the Managing Director or Company Secretary of the Company after completion of the scrutiny of the Postal Ballot Forms and the result of the Postal Ballot will be announced on or before 13th December 2016 at the Registered Office of the Company. The result of the Postal Ballot along with the Scrutinizer's Report will also be displayed on the 'Legal/2016 Notices /Postal Ballot Results' section on the Company's website www.xerox.com/india and on the website of NSDL.
- 9) Relevant documents referred to in the accompanying Notice & Explanatory Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays between 11:00 a.m. and 1:00 p.m. upto 12th December 2016.

10) Instructions for e-voting are as under:

- A. In case a member receives an email from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
 - i. Open the e-mail and also open PDF file namely "XEROX e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.
 - ii. Open the internet browser and type the URL: <https://www.evoting.nsdl.com>
 - iii. Click on Shareholder – Login.
 - iv. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password.
 - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum 8 digits or characters or a combination of both. Note new password. Please take utmost care to keep your password confidential.
 - vii. Once the remote e-voting home page opens, click on remote e-voting>Active Voting cycles.
 - viii. Select "EVEN" (E-Voting Event Number) of the Company which is **105747**. Now you are ready for remote e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once the vote on the resolution is cast, you shall not be allowed to change it subsequently.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy

(PDF/JPG format) of the relevant Board Resolution/Authority Letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to rpa@rpalegal.com with a copy to evoting@nsdl.co.in

B. In case a Member receives Postal Ballot Notice and Postal Ballot Form by courier/speed post/registered post [for members whose email IDs are not registered with the Company / Depository Participant(s)]:

(i) Initial password is provided in the Postal Ballot Form sent alongwith the Postal Ballot Notice:

EVEN (e-Voting Event Number)	User ID	Password
105747		

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

(iii) The consent must be accorded by recording the assent in the Column FOR and dissent in the Column AGAINST by placing a tick mark (✓) in the appropriate column.

(iv) The member need not use all the votes nor needs to cast all the votes in the same way.

(v) Members are requested not to send any other paper/document along with the Postal Ballot Form in the enclosed postage prepaid self-addressed envelope. If sent, the same paper document would not be acted upon.

C. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting User Manual for Shareholders available at the "Downloads" section of www.evoting.nsdl.com or call NSDL on 022-24994600 / 022-24994738.

D. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

**By Order of the Board of Directors
For Xerox India Limited**

**Rajiv L. Jha
Company Secretary & DGM Legal
Membership No.: F5948**

Gurgaon

7th November 2016

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Explanatory Statement setting out material facts pursuant to Section 102(1) and Section 110 of the Companies Act, 2013 (the “Act”)

ITEM NOS. 1 & 2

Towards the separation process of Xerox Corporation at global level, the technology and services arms of Xerox Corporation (ultimate parent/holding company of Xerox India) would separate by the year 2017.

The functions of the Contract R&D support services division [named as Xerox Research Centre India (XRCI)], one of the operational units/segments/divisions/undertakings of your Company and located in Bengaluru (India), is more akin to the services domain of the overall operations of Xerox Corporation. Therefore, in light of the ensuing separation process as aforesaid, it is proposed to sell/transfer the said unit/undertaking to Xerox Business Services India Private Limited (having Xerox Corporation as ultimate holding/parent company) which presently operates in the Services domain of the overall operations of Xerox Corporation.

Pursuant to the aforementioned, the Board of Directors (the “**Board**”) of the Company at its meeting held on 26th September 2016 agreed in-principle to sale/transfer the XRCI division (hereinafter referred to as “XRCI” or “the said undertaking”) of the Company to a designated entity under the Service domain subject to the valuation of the said undertaking and placing of final structure of the transaction before the Board and approval of shareholders of the Company or such terms and conditions as may be decided subsequently. Further, based on the valuation of XRCI as carried out by an independent agency/valuer, the Board at its Meeting held on 7th November 2016 (and the Audit Committee at its Meeting held on 7th November 2016), approved the sale/ transfer of the said undertaking (XRCI) along with all its employees as well as assets and liabilities including all concerned licences, permits, consents and approvals whatsoever, to Xerox Business Services India Private Limited (hereinafter the “**Transferee**”), having Xerox Corporation as ultimate holding/parent company, with effect from the close of business hours on 31st December 2016 (“**Proposed Transaction**”) as “going concern” and by way of a slump sale for a lump sum consideration of INR 525 million.

Xerox Research Centre India (XRCI) explores, develops and incubates innovative solutions and services for Xerox’s global customers, with a special focus on emerging markets. Inaugurated in March 2010, the centre’s mission is to capture innovation opportunities for Xerox in emerging markets and to advance Xerox’s position as the leading global provider of document and business process services by leveraging the rich talent and technical expertise in India.

The sale/ transfer of XRCI will be done on a “going concern” basis and by way of a slump sale. The proposed sale/ transfer will be in conformity with the proviso to Section 25FF of the Industrial Disputes Act, 1947, ensuring that the services of concerned employees, presently numbering 82 (Eighty Two), barring further appointments or resignations, if any, till the date of actual transaction, engaged in XRCI division will be transferred to the Transferee with continuity of service and on the terms and conditions of service not less favourable than the existing ones.

In accordance with the provisions of Section 180(1)(a) of the Companies Act, 2013 (Act) any sale, lease or otherwise disposal of whole or substantially the whole of the undertaking of the Company requires the approval of members of the company by way of a Special Resolution and as per the provisions of Section 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules 2014, such a permission by way of Special Resolution needs to be accorded by way of Postal Ballot.

Though the proposed transaction may not be falling under the qualification of “undertaking” as defined under Explanation (i) u/s 180(1)(a), still as a measure of good governance and transparency, your Directors are seeking the approval of members by way of a Special Resolution as required under the provisions of Section 180(1)(a) of the Act and applicable Rules thereunder.

The Board is, accordingly, proposing the resolution as set out under Item No. 1 in the accompanying Notice for the approval of the Members by way of passing a Special Resolution through Postal Ballot.

Further, with the background as aforesaid, the Proposed Transaction would be in the nature of a related party transaction under Section 188 of the Act read with Rules thereunder including circular, notification, clarifications thereto, and involves selling or otherwise disposing of property of any kind. Members of the Company are further requested to note that as per Section 188(1) of the Act read with Rule 15(3)(a)(ii) of the Companies (Meetings of

Board and Its Powers) Rules, 2014 made thereunder, as amended and is in force for the time being, requires that any transaction entered into between related parties for selling or otherwise disposing of, or buying property of any kind, where the amount involved exceeds Rs. 100,00,00,000 (Rupees One Hundred Crores) or 10% of the net worth, whichever is lower, to be approved by the members of the Company by way of passing an Ordinary Resolution.

Therefore, under the provisions of Section 188 read with the applicable Rules thereunder, including notification, circular, clarification, etc. thereunder, since the sale value of the aforesaid undertaking exceeds 10% of the net worth of the Company, the aforesaid transaction requires approval of shareholders by way of an Ordinary Resolution.

Pursuant to the aforementioned, the Audit Committee at its Meeting held on 7th November 2016, approved the entering into of the aforesaid related party transaction w.r.t. sale/ transfer of the said undertaking (XRCI) to Xerox Business Services India Pvt. Ltd. (having common ultimate holding/parent company) and the same has subsequently been approved by the Board of Directors in its meeting held on 7th November 2016.

The Board is, accordingly, proposing the resolution as set out under Item No. 2 in the accompanying Notice for the approval of the Members by way of passing an Ordinary Resolution through Postal Ballot.

The Board is of the opinion that the aforesaid Resolutions/transaction is in the best interest of the Company and its shareholders and hence, recommends the Resolutions (as set out under Item Nos. 1 and 2 of the accompanying Notice) for your approval.

None of the Directors and/or any Key Managerial Personnel of the Company and/or their relatives are concerned or interested in the aforesaid Resolutions.

Additional information required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014:-

- (a) **Name of the Related Party** – Xerox Business Services India Private Limited, (Xerox Corporation being the ultimate holding/parent company).
- (b) **Name of the Director or Key Managerial Personnel who is related, if any** – None.
- (c) **Nature of Relationship** – Subsidiary/associate of the ultimate Holding/parent Company i.e. Xerox Corporation, United States, of which Xerox India Limited is also an indirect subsidiary (meaning that both Xerox India Limited and the Transferee are having a common ultimate holding/parent company).
- (d) **Nature, Material Terms, Monetary Value and Particulars of the contract or arrangement** – The Proposed Transaction involves sale/ transfer of the Contract R&D support services division (named as XRCI) of the Company from Xerox India Limited to Xerox Business Services India Private Limited with effect from the close of business hours on 31st December 2016 as going concern and by way of a slump sale for a lump sum consideration of INR 525 million, based on the valuation carried out by an independent agency/valuer.
- (e) Any other information relevant or important for the members to take a decision on the proposed resolution:- All important information forms part of the Explanatory Statement setting out material facts pursuant to Section 102(1) and Section 110 of the Companies Act, 2013 which have been mentioned in the foregoing paragraphs.

**By Order of the Board of Directors
For Xerox India Limited**

**Rajiv L. Jha
Company Secretary & DGM Legal
Membership No.: F5948**

Gurgaon

7th November 2016

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