NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **Sixteenth Annual General Meeting** of MosChip Semiconductor Technology Limited will be held on Wednesday, the 30th September 2015 at 10.30 a.m. at the Registered Office of the Company Situated at Plot No.83 & 84, 2nd Floor, Punnaiah Plaza, Road No.2, Banjara Hills, Hyderabad- 500 034 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Report of Directors, Profit and Loss Account for the financial year ended 31 March 2015 and the Balance Sheet as on that date and the report of Auditors thereon.
2. To appoint a Director in place of Mr. K. Ramachandra Reddy (holding DIN00042172), who retires by rotation and being eligible offers himself for re-appointment
3. To consider and if thought fit to pass with or without modifications(s), the following resolution as an ordinary resolution

   "RESOLVED that pursuant to the provisions of section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, the company hereby ratifies the appointment of M/s.Gokhale & Co., Chartered Accountants(Firm Registration No. 000942S) as statutory auditors of the company, made at the 15th Annual General Meeting(AGM), to hold office until the conclusion of the 18thAGM of the Company to be held in the year 2017 at such remuneration plus service tax, out-of-pocket, as may be mutually agreed between the board of directors of the company and the auditors.

AS SPECIAL BUSINESS:

Item No. 4:

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

"RESOLVED THAT pursuant to the provisions of Sections 190, 196, 197 and 203 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Act, consent of the members be and is hereby accorded to the re-appointment of Mr. K. Ramachandra Reddy (holding DIN00042172) as Chairman & Chief Executive Officer (CEO) of the Company for a period of 5 years commencing from August 31, 2015, on the terms and conditions of appointment and remuneration as follows:

Overall Remuneration

The remuneration payable to Mr. K. Ramachandra Reddy, in any financial year, shall not exceed five (5) per cent of the net profits of the Company and the overall remuneration payable to all Executive Directors including the Whole Time Director, in any financial year, shall not exceed ten (10) per cent of the net profits of the Company. In any financial year, during the tenure of Mr. K. Ramachandra Reddy, if the Company has no profits or its profits are inadequate, then Mr. K. Ramachandra Reddy will be paid in accordance with the provisions of **Schedule V** of the Act. Within the aforesaid ceiling, the remuneration payable to Mr. K. Ramachandra Reddy shallbe as follows:

Salary (including perquisites)`

30,00,000/- (Rupees Thirty Lakhs only) per annum by way of Salary, Dearness Allowance and any other allowances and perquisites with annual or mid-term increments as approved by the Board/Committee of the Board within a limit so that the total remuneration is within five (5) per cent of the net profits of the Company.

Commission:

Where the Company has sufficient profits, such percentage of Commission on the net profits of the company be paid in addition to salary and perquisites as may be determined by the Board of Directors of the Company at the end of each financial year; and such percentage of commission together with the salary and perquisites paid during the financial year shall not exceed 5% of the net profits, subject to overall ceilings stipulated in Sections 197 and 198 of the Companies Act, 2013, read with **Schedule V** of Companies Act, 2013 as amended from time to time.

Mr. K. Ramachandra Reddy shall also be eligible for Gratuity payable at a rate not exceeding half a month's salary for each completed year of service which shall not be included in the computation of the ceiling on remuneration specified above.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to these Resolutions".

Item No. 5:

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

"RESOLVED THAT pursuant to the provisions of Sections 190, 196, 197 and 203 and any other applicable provisions

of the Companies Act, 2013 ("the Act") and the rules made there under (including any statutory modification(s) or re-enactment there of for the time being in force), read with Schedule V to the Act, consent of the members be and is hereby accorded to the re-appointment of Mr. C. Dayakar Reddy (holding DIN00042663) as a Managing Director of the Company for a period of 5 years commencing from August 31, 2015, on the terms and conditions of appointment and remuneration as follows:

Overall Remuneration

The remuneration payable to Mr. C. Dayakar Reddy, in any financial year, shall not exceed five (5) per cent of the net profits of the Company and the overall remuneration payable to all Executive Directors including the Whole Time Director, in any financial year, shall not exceed ten (10) per cent of the net profits of the Company. In any financial year, during the tenure of Mr. C. Dayakar Reddy, if the Company has no profits or its profits are inadequate, then Mr. C. Dayakar Reddy will be paid in accordance with the provisions of **Schedule V** of the Act. Within the aforesaid ceiling, the remuneration payable to Mr. C. Dayakar Reddy shallbe as follows:

Salary (including perquisites)`

30,00,000/- (Rupees Thirty Lakhs only) per annum by way of Salary, Dearness Allowance and any other allowances and perquisites with annual or mid-term increments as approved by the Board/Committee of the Board within a limit so that the total remuneration is within five (5) per cent of the net profits of the Company.

Commission:

Where the Company has sufficient profits, such percentage of Commission on the net profits of the company be paid in addition to salary and perquisites as may be determined by the Board of Directors of the Company at the end of each financial year; and such percentage of commission together with the salary and perquisites paid during the financial year shall not exceed 5% of the net profits, subject to overall ceilings stipulated in Sections 197 and 198 of the Companies Act, 2013, read with **Schedule V** of Companies Act, 2013 as amended from time to time.

Mr. C. Dayakar Reddy shall also be eligible for Gratuity payable at a rate not exceeding half a month's salary for each completed year of service which shall not be included in the computation of the ceiling on remuneration specified above.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to these Resolutions".

Item no. 6:

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

"RESOLVED THAT pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, Listing Agreements entered into by the Company with the stock exchanges where the equity shares of the Company are listed, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the "**SEBI Regulations**") and subject to all other applicable laws, rules, regulations, circulars and guidelines and subject to such approvals, permissions, sanctions and consents as may be necessary and required under the applicable laws, rules, regulations, circulars and guidelines and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated under such approvals, permissions, sanctions, and consents as the case may be) which may be accepted by the Board of Directors of the Company (herein referred to as "**Board**" which term shall include any duly constituted and authorized committee thereof to exercise its powers under this resolution) and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot, from time to time, in one or more tranches, equity shares of face value of **Rs. 2/- (Rupees Two only)** each at a price of Rs. **4.72/-** (**Four Rupees Seventy Two Paisa only**) per equity share (including a premium of **Rs.2.72 /-** (**Two Rupee Seventy Two Paisa only**) per equity share (hereinafter referred to as "**Issue Shares**"), to Mr. K. Ramachandra Reddy & Mr. K. Sandeep Reddy on a preferential basis.

Proposed Allotment Details:

S. No.	Name of The Proposed Allottee	No. of Equity Shares to be issued	Aggregate Value In Rupees
1	Mr. K. Ramachandra Reddy	25,42,373	1,20,00,000
2	Mr. K. Sandeep Reddy	24,36,441	1,15,00,000

RESOLVED FURTHER THAT the Issue Shares being offered, issued and allotted to Mr. K. Ramachandra Reddy & Mr. K. Sandeep Reddy by way of a preferential issue shall *inter alia* be subject to the following:

(i) The Issue Shares to be offered, issued and allotted to Mr. K. Ramachandra Reddy & Mr. K. Sandeep Reddy shall be in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;

(ii) The Issue Shares to be offered, issued and allotted shall rank *paripassu* with the existing equity shares of the Company in all respects including as to dividend;

(iii) The "Relevant Date" for the offer, issue and allotment of the Shares by way of a preferential issue, as per the SEBI Regulations, for the determination of minimum price for the issue of Shares is Monday, 31st August 2015, being 30 days prior to the date of the16th Annual General Meeting;

(iv) The Issue Shares to be offered, issued and allotted shall be subject to lock-in as provided under the provisions of SEBI Regulations; and

(v) The Issue Shares so offered, issued and allotted will be listed subject to the receipt of necessary regulatory permissions and approvals.

RESOLVED FURTHER THAT subject to the provisions of SEBI Regulations and other applicable laws, the Board be and is hereby authorized to decide and approve terms and conditions of the offer, issue and allotment of the Issue Shares and vary, modify or alter any relevant terms and conditions, including size of the preferential issue to the Investor, as it may deem expedient.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation to issue clarifications on the offer, issue and allotment of the Issue Shares, to execute all such writings and instruments and enter into arrangement/ agreements as the Board may in its absolute discretion deem necessary or desirable for purposes of this resolution, to settle all questions, difficulties or doubts that may arise1in regard to the offer, issue and allotment of the Issue Shares and utilisation of proceeds of the Issue Shares, take all others steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing in the best interests of the Company and its shareholders.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to delegate all or any of its powers to any officer(s) or authorized signatory(ies) of the Company to give effect to this resolution including execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution."

Item No. 7

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

"RESOLVED THAT pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, Listing Agreements entered into by the Company with the stock exchanges where the equity shares of the Company are listed, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("**SEBI Regulations**") and subject to all other applicable laws, rules, regulations, circulars and guidelines and subject to such approvals, permissions, sanctions and consents as may be necessary and required under the applicable laws, rules, regulations, circulars and guidelines and on such terms and conditions (includingany alterations, modifications, corrections, changes and variations, if any, that may be stipulated under such approvals, permissions, sanctions, and consents as the case may be) which may be accepted by the Board of Directors of the Company(herein referred to as "**Board**" which term shall include any duly constituted and authorized committee thereof to exercise its powers under the resolutions) and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot, from time to time, in one or more tranches, on a preferential basis up to an aggregate of 2,11,86,440 (Two Crore Eleven Lakhs Eighty Six Thousand Four Hundred and Forty Only) compulsorily convertible debentures of face value of **Rs. 4.72 /- (Four Rupees Seventy Two Paisa only)** each at par aggregating to Rs. 10,00,00,000 (Rupees Ten Crore only) (hereinafter referred to as "**CCDs**"), with each CCD convertible into 1 (One) equity share at a conversion price of **Rs. 4.72 /- (**

Four Rupees Seventy Two Paisa only) per equity share (hereinafter referred to as "**CCD Shares**"), to Optimend Sales Distribution Network Private Limited (hereinafter referred to as the "**Investor 1**"), M Pot Energy Ventures Private Limited (hereinafter referred to as the "**Investor 2**"), and Mr. PVBLN Reddy (hereinafter referred to as the "**Investor 3**") and Mr. Pramod Mandalapu (hereinafter referred to as the "**Investor 4"**)

Proposed allotment details:

S. NO	Name of The Proposed Allottee	No. of CCDs to be issued	Aggregate Value In Rupees
1	M/s. Optimend Sales & Distribution Network Pvt Ltd	74,15,254	3,50,00,000
2	M/s. M Pot Energy Ventures Pvt Ltd	74,15,254	3,50,00,000
3	Mr. PVBLN Reddy	31,77,966	1,50,00,000
4	Mr. Pramod Mandalapu	31,77,966	1,50,00,000

RESOLVED FURTHER THAT the Board is hereby authorised to offer, issue and allot requisite number of CCD Shares to theholders of CCDs upon conversion.

RESOLVED FURTHER THAT the CCDs being offered, issued and allotted to **Investor 1, Investor 2, Investor 3 and Investor 4** by way of a preferential issue shall *interalia* be subject to the following:

(i) The CCD Shares to be issued and allotted to **Investor 1, Investor 2, Investor 3 and Investor 4** shall be in dematerialised form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company. CCDs to be offered, issued and allotted to **Investor 1, Investor 2, Investor 3 and Investor 4** shall be either in physical form or in dematerialised form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;

(ii) The CCD Shares shall rank *paripassu* with the existing equity shares of the Company in all respects including as to dividend;

(iii) The "Relevant Date" for the offer, issue and allotment of CCDs by way of a preferential basis, as per the SEBI Regulations, for the determination of the minimum price for the issue of the CCDs and CCD Shares is Monday, 31st August 2015, being 30 days prior to the date of this Annual General Meeting;

(iv) The CCDs and CCD Shares to be offered, issued and allotted shall be subject to lock-in as provided under the provisionsof SEBI Regulations;

(v) Each CCD shall be automatically and compulsorily converted into one CCD Share within a period of 18 (eighteen) months from the date of their allotment; and

(vi) CCD Shares will be listed subject to the receipt of the necessary regulatory permissions and approvals.

RESOLVED FURTHER THAT subject to the provisions of SEBI Regulations and other applicable laws, the Board be and is hereby authorized to decide and approve terms and conditions of the issue of the CCDs including the time, mode and manner of conversion of CCDs into CCD Shares and to vary, modify or alter any of the terms and conditions, including size of the preferential issue to **Investor 1, Investor 2, Investor 3 and Investor 4** as it may deem expedient.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation to issue clarifications on the offer, issue and allotment of CCDs and conversion of CCDs into CCD Shares, to execute all such writings and instruments and enter into arrangement/ agreements as the Board may in its absolute discretion deem necessary or desirable for purposes of this resolution, to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of CCDs, conversion of CCDs into CCD Shares and utilisation of proceeds of CCDs, take all others steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing in the best interests of the Company and its shareholders.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to delegate all or any of its powers to any officer(s) or authorized signatory(ies) of the Company to give effect to this resolution including execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution."

Item no: 8

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

"**RESOLVED THAT** pursuant to Section 62 (1) (C) & Section 42 and all other applicable provisions, if any, of the Companies Act, 2013 read with the enabling provisions of the Memorandum and Articles of Association of the Company and subject to the regulations/rules/guidelines issued by the Securities and Exchange Board of India (SEBI), Listing Agreement entered into with the Stock Exchanges and subject to such approvals, consents, permissions and sanctions of all other appropriate and / or concerned authorities and departments, if any, and subject to such conditions and modifications as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company(hereinafter referred to as "Board" which term shall be deemed to include any Committee constituted/to be constituted by the Board to exercise its powers conferred by this Resolution), which the Board be and is hereby authorized to accept, if it thinks fit in the interest of the Company, the consent of the Company be and is hereby accorded to the Board to offer, issue, allot and deliver **3,00,000** (Three Lakhs only) Equity warrants on preferential basis at a price of **4.72 /-** (**Four Rupees Seventy Two Paisa only**) including a premium of Rs.**2.72 /-** (**Two Rupee Seventy Two Paisa only**)in one or more tranches, convertible into 3,00,000(Three Lakhs only) equity shares (One Equity Share for one warrant issued) of the Company of the face value of Rs.2/- each to Mr. Madhu Mohan Venkat Katikineni for cash which shall upon conversion rank pari-passu with the existing equity shares of the Company, in such form and manner and upon such terms and conditions as may be determined by the Board in accordance with SEBI (ICDR) Regulation, 2009 or other provisions of the law as may be prevailing at the time; provided that the minimum price of the warrants so issued shall not be less than the price arrived at in accordance with provisions of Chapter VII of SEBI (ICDR) Regulations, 2009.

RESOLVED FURTHER THAT the 'Relevant Date' for the purpose of determining the issue price of warrants is 31 August 2015, being 30 days prior to the date of Annual General Meeting (AGM) in pursuance of SEBI (ICDR) Regulation,2009.

RESOLVED FURTHER THAT

a) Each warrant be convertible into one equity share can be exercised at any time within a period of 18 months from the date of issue of such Warrants and on such other terms and conditions, subject to SEBI (ICDR) Regulation,2009, as may be applicable, from time to time.

b) In accordance with Chapter VII of SEBI (ICDR) Regulations, 2009, 25% of the consideration payable for the warrants (and the equity shares into which they are converted), shall be paid by the proposed allottees to the Company upon issue and allotment of the warrants.

c) The amount paid on issue of warrants shall be forfeited if the warrants are not exercised within a period of 18 months from the date of issue of warrants.

d) Equity Shares to be issued and allotted by the Company on exercising of the option against the warrants shall rank pari-passu in all respects with the then existing fully paid-up Equity Shares of the Company.

RESOLVED FURTHER THAT the Board be and are hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution and accept any alteration (s) or amendment (s) or corrections as they may deem fit and appropriate and give such directions/instructions as may be necessary to settle any questions, difficulties or doubts that may arise in regard to the offer, issue or allotment of the said securities and with a power to change the number of warrants hereby created, issued and offered to the person (s) referred above and within the limit mentioned above and also to seek listing of such securities at the Stock Exchanges where them existing securities are listed.

By Order of the Board of Directors

Hyderabad
31st August 2015

CS Suresh Bachalakura
Company Secretary

NOTES:

1. The statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business set out in the Notice, is annexed hereto.

2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of him and such proxy need not be a member of the company. Proxies in order to be effective must be received by the company not less than 48 hours before the commencement of the meeting

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged with the Company, at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company

5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

6. The Register of Members and Share Transfer Books of the company will remain closed from 24-09-2015 to 30-09-2015 (both days inclusive).

7. To avoid inconvenience to members and to facilitate smooth conduct of the meeting, entry to the place of meeting will be only for members / proxies and is regulated by the attendance slip appended to the proxy form. Members are requested to affix their signature on it and hand it over at the entrance.

8. Members, who hold shares in de-materialized form, are requested to bring their Client ID and DP Id No's for easier identification of attendance at the meeting.

9. A member desirous of getting any information on the accounts or operations of the company is requested to forward his/her queries to the company at least seven working days prior to the meeting. So that the required information can be made available at the meeting.

10. Members are requested to notify immediately any change in their address to the company or to the Share Transfer Agents and in case their shares are held in dematerialized form, this information should be passed onto their respective Depository Participants without any delay.

11. In all correspondence with the company, members are requested to quote their folio numbers and in case their shares are held in dematerialized form they must quote their Client ID Number and their DP ID Number.

12. Members are requested to carry their copies of Annual Report as these will not be supplied at the meeting.

13. Trading in the equity shares of the company is in the compulsory demat form. Those members who have not demated their shares are requested to open the demat accounts with the depositories and get the shares demated at the earliest.

14. Electronic copy of the Notice of the 16th 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 16th 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.

15. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and the Clause 35B of the Listing Agreement the Company is pleased to provide members' facility to exercise their right to vote at the 16th Annual General Meeting ("AGM") by electronic means and the business may be transacted through e-voting services provided by Karvy Computer share Private Limited ("Karvy").

16. It may be noted that this e-voting facility is optional. The e-voting facility will be available at the link http://evoting.karvy.com. Shareholders can cast their vote online from 9 a.m. on 27th September, 2015 to 5 p.m. on 29th September, 2015. During the period, shareholders of the company holding shares either in dematerialized or physical form as on the cut-off date of 23rd September 2015, may cast their vote electronically.

17. The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs with the Company / their respective Depository Participants along with physical copy of the Notice. Those members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail.

18. The Company has appointed Mr. CS Puttaparthi Jaganatham, advocate as Scrutinizer for conducting the remote e-voting and Insta Poll process for the Annual General Meeting in a fair and transparent manner.

19. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 23rd September, 2015 only shall be entitled to avail the facility of remote e-voting / Ballot.

20. The facility for voting, through ballot or polling paper is available at the meeting and members attending the meeting who have not already cast vote by remote e-voting shall be able to exercise their rights at the meeting.

21. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

1. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 23rd September, 2015, may obtain the User ID and password in the manner as mentioned below:

   a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

      Example for NSDL:
      MYEPWD <SPACE> IN12345612345678
      Example for CDSL :
      MYEPWD <SPACE> 1402345612345678
      Example for Physical :
      MYEPWD <SPACE> XXXX1234567890

   b. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.karvy.com, the member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password.

   c. Member may call Karvy's toll free number 1-800-3454-001

   d. Member may send an e-mail request to https://evoting.karvy.com.

If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.

1. The remote e-voting facility will be available during the following period:

   Commencement of remote e-voting : From 9.00 a.m. (IST) on September 27, 2015

   End of remote e-voting : Up to 5.00 p.m. (IST) on September 29, 2015

   The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.

2. The Scrutinizer, after scrutinizing the votes cast at the meeting (Insta Poll) and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of Karvy https://evoting.karvy.com. The results shall simultaneously be communicated to the Stock Exchanges.

3. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. September 30, 2015.

4. Instructions and other information relating to remote e-voting:

1. (i) In case a member receives an e-mail from Karvy [for members whose e-mail addresses are registered with the Company / Depository Participant(s)]:

   (a) Launch internet browser by typing the URL: https://evoting.karvy.com

   (b) Enter the login credentials (i.e. User ID and password) which will be sent separately. The E-Voting Event Number+Folio No. or DP ID Client ID will be your User ID.

   However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit https://evoting. karvy. com or contact toll free number 1-800-3454-001 for your existing password.

   (c) After entering these details appropriately, click on "LOGIN".

   (d) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

   (e) You need to login again with the new credentials.

   (f) On successful login, the system will prompt you to select the E-Voting Event Number for MosChip Semiconductor Technology Limited.

   (g) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as on the cutoff date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

   (h) Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

   (i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

   (j) You may then cast your vote by selecting an appropriate option and click on "Submit".

   (k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).

   (l) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: pjagan123@ gmail. com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_ EVENT NO."

   (ii) In case a member receives physical copy of the Notice by Post [for members whose e-mail addresses are not registered with the Company / Depository Participant(s)]:

      a) User ID and initial password - These will be sent separately.

      b) Please follow all steps from Sr. No. (a) to (l) as mentioned in (A) above, to cast your vote.

2. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

3. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website https://evoting.karvy.com.

Explanatory Statement

[Pursuant to Section 102(1) of the Act, the following Explanatory Statement sets out material facts relating to the business under Item Nos. 4,5,6,7 and 8 of the accompanying Notice dated 31st August, 2015 convening the 16th Annual General Meeting of the Company scheduled for September 30, 2015.]

Item No. 4:

Mr. K. Ramachandra Reddy was appointed Chairman & CEO of the Company for a period of 3 years at the 13th Annual General Meeting of the Company held on September 30, 2012. The appointment is valid up to 31 August, 2015.The Board of Directors of the Company at its meeting held on August 31, 2015, subject to the approval of the members of the Company, approved the re-appointment of Mr. Ramachandra Reddy Chairman & CEO of the Company for a period of 5 years commencing from September 1, 2015.Mr. K. Ramachandra Reddy has been on the Board of Directors of the Company since incorporation and providing his strategic and Technological expertise to the Company. Mr. K. Ramachandra Reddy is a graduate in Electrical Engineering from IIT, Madras and holds an M.S.E.E. degree from University of Wisconsin, Madison, Wisconsin. He has over 34 years of experience in Silicon Valley in the areas of design, manufacturing and marketing of various integrated circuits (ICs). He has successfully started several semiconductor design companies and sold them to larger companies in the last 18 years. His ventures included Lotus Designs Corp., Silicon Logic and Startech Semiconductor, all of which were based in Silicon Valley. Prior to starting his first company in 1982, he worked as a Section Manager at American Micro Systems in Santa Clara, California. He was responsible for designing the world's first DSP chip. Ram has extensive experience in sub-contracting manufacturing needs of semiconductors and marketing these products worldwide. His customer list included major PC manufacturers such as Compaq Computers and communication technology companies such as Nokia Systems out of Finland.

The draft agreement between the Company and Mr. K. Ramachandra Reddy is open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all days except Saturdays, Sundays and holidays, until the date of the Annual General Meeting or any adjournment thereof.

The number of Board/Committee meetings attended by Mr. K. Ramachandra Reddy during the financial year is disclosed in the Corporate Governance Report annexed to the Directors' Report.

An Ordinary Resolution in terms as set out in Item No. 3 of the accompanying Notice is placed before the members in the Meeting for approval.

Except Mr. K. Ramachandra Reddy, being an appointee, none of the Directors or KMP of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange

Item No. 5:

Mr.C.Dayakar Reddy was appointed Managing Director of the Company for a period of 3 years at the 13th Annual General Meeting of the Company held on September 30, 2012. The appointment is valid up to 31 August, 2015.The Board of Directors of the Company at its meeting held on 31st August, 2015, subject to the approval of the members of the Company, approved the re-appointment of Mr.C. Dayakar Reddy Managing Director of the Company for a period of 5 years commencing from September 1, 2015. Mr. C. Dayakar Reddy has been on the Board of Directors of the Company since incorporation and providing his strategic and Technological expertise to the Company. Mr.C. Dayakar Reddy is a post-graduate in Electronics Engineering from California State University, San Jose, USA (1985). He has over 16 years of experience in Silicon Valley, USA. He started his career with Cirrus Logic, Fremont, USA and held Senior Management positions in Engineering. He founded his own company in 1994, Future Integrated Systems. He sold his company to National Semiconductors in 1997 and worked with them as Director of Systems Engineering till early 1999

The draft agreement between the Company and Mr. C. Dayakar Reddy is open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all days except Saturdays, Sundays and holidays, until the date of the Annual General Meeting or any adjournment thereof.

The number of Board/Committee meetings attended by Mr. C. Dayakar Reddy during the financial year is disclosed in the Corporate Governance Report annexed to the Directors' Report.

An Ordinary Resolution in terms as set out in Item No. 3 of the accompanying Notice is placed before the members in the Meeting for approval.

Except Mr.C. Dayakar Reddy, being an appointee, none of the Directors or KMP of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange

Name of The Director	K. Ramachandra Reddy	C. Dayakar Reddy
Date of Birth	04 Jan 1949	08 Jan 1962
Date of Appointment	27 July 1999	27 July 1999
Qualifications	Electrical Engineering from IIT, Madras M.S.E.E. degree from University of Wisconsin	Post-Graduate in Electronics Engineering from California State University
Expertise in specific functional areas	He has over 34 years of experience in Silicon Valley in the areas of design, manufacturing and marketing of various integrated circuits (ICs). He has successfully started several semiconductor design companies and sold them to larger companies in the last 18 years. His ventures included Lotus Designs Corp., Silicon Logic and Startech Semiconductor, all of which were based in Silicon Valley. Prior to starting his first company in 1982, he worked as a Section Manager at American Micro Systems in Santa Clara, California. He was responsible for designing the world's first DSP chip. Ram has extensive experience in subcontracting manufacturing needs of semiconductors and marketing these products worldwide. His customer list included major PC manufacturers such as Compaq Computers and communication technology companies such as Nokia Systems out of Finland.	He has over 16 years of experience in Silicon Valley, USA. He started his career with Cirrus Logic, Fremont, USA and held Senior Management positions in Engineering.. He founded his own company in 1994, Future Integrated Systems. He sold his company to National Semiconductors in 1997 and worked with them as Director of Systems Engineering till early 1999.
List of Companies in which outside Directorship held as on31.03.2015	NIL	Speed Projects And Infrastructure Private Limited
Chairman/Member of the Committees of other Companies on which he/she is a Member as on 31.03.2015	NIL	NIL
Number of equity shares held in the Company	3050037	583920

Item No. 6, 7 & 8

BRIEF NOTE ON COMPANY OPERATIONS AND JUSTIFICATION FOR ISSUE

Your Company has a proven track record of designing, developing, marketing and sale of very complex Application Specific Integrated Circuits (ASIC's) and System on Chip (SOC) for PC Peripheral, Data Communication and Consumer Electronics segments. The Company has been working on a very complex custom System on chip (SOC) from a domestic customer. Considering the high growth in Defence Sector and 'Make in India' and 'Made in India' policy of current Central Government the fresh investment in the Company will help in providing services to various Defense contracts which are high value and require large working capital. It further helps in increasing the technical pool to service opportunities with existing clients and tap new customers. The equity infusion will also strengthen the Company's balance sheet and reduce interest costs for the Company besides meeting working capital requirement. It is therefore proposed to raise funds through preferential issue of**;**

1) 4,978,813 (Forty Nine Lakhs Seventy Eight Thousand Eight Hundred and Thirteen Only) Equity Shares to Mr. K. Ramachandra Reddy and Mr. K Sandeep Reddy,

2) 21,186,440 (Two Crores Eleven Lakhs Eighty Six Thousand Four Hundred and Forty Only) Compulsory Convertible Debentures to M/s Optimend Sales & Distribution Network Pvt Ltd (hereinafter referred to as the "**Investor 1**"), M/s M Pot Energy Ventures Pvt Ltd (hereinafter referred to as the "**Investor 2**"), Mr. PVBLN Reddy (hereinafter referred to as the "**Investor 3**") and Mr. Pramod Mandalapu (hereinafter referred to as the "**Investor 4**") and collectively called as **"investors"**.

3) 300,000 (Three Lakhs only) convertible warrants to Mr. Madhu Mohan Venkat Katikineni for cash.

Salient features of the preferential issue are as under:

Item No. 6: Issue of Equity Shares.

Allotment of the Issue Shares to Mr. K. Ramachandra Reddy and Mr. K Sandeep Reddy (hereinafter referred as "Issue Shares") would be made at a price of **Rs. 4.72 /- (Four Rupees Seventy Two Paisa only)** per equity share comprising Rs. 2/- (Rupees Two only) towards the face value of each equity share and Rs. 2.72 /- (Two Rupees Seventy Two Paisa only) towards securities premium per equity share.

Proposed allotment details:

S. No	Name of The Proposed Allottee	No. of Equity Shares to be issued	Aggregate Value In Rupees
1	Mr. K. Ramchandra Reddy	25,42,373	1,20,00,000
2	Mr. K. Sandeep Reddy	24,36,440	1,15,00,000

Item No. 7: Issue of Compulsory Convertible Debentures

Allotment of 2,11,86,440 (Two Crore Eleven Lakhs Eighty Six Thousand Four Hundred and Forty Only) Compulsorily Convertible Debentures of face value of **Rs. 4.72 /- (Four Rupees Eighty Paisa only)** each at par aggregating to Rs. 10,00,00,000 (Rupees Ten Crore only) (hereinafter referred to as "**CCDs**"), with each CCD convertible into 1 (One) equity share at a conversion price of Rs. Rs. 4.72 /- (Four Rupees Seventy Two Paisa only) per equity share (hereinafter referred to as "**CCD Shares**"),comprising Rs. 2/- (Rupees Two only) towards the face value of each CCD share and Rs. 2.72 /- (Two Rupees Seventy Two Paisa only) towards securities premium per each CCD shares to the below proposed Investors.

Proposed allotment details:

S. No	Name of The Proposed Allottee	No. of CCDs to be issued	Aggregate Value In Rupees
1	M/s. Optimend Sales & Distribution Network Pvt Ltd	74,15,254	3,50,00,000
2	M/s. M Pot Energy Ventures Pvt Ltd	74,15,254	3,50,00,000
3	Mr. PVBLN Reddy	31,77,966	1,50,00,000
4	Mr. Pramod Mandalapu	31,77,966	1,50,00,000

Item No. 8: Issue of Equity Warrants

Allotment of the Equity warrants on preferential basis to Mr. Madhu Mohan Venkat Katikineni would be made at a price of Rs. 4.72 /- (Five Rupee Eighty Paisa only) per Equity warrant comprising Rs. 2/- (Rupees Two only) towards the face value of Equity warrant and Rs. 2.72 /-(Two Rupee Seventy Two Paisa only) towards securities premium per Equity warrant. The total issue size assuming allotment of 3,00,000 (Three Lakhs only) Equity warrants is Rs. 14,16,000 (Rupees Fourteen Lakhs Sixteen Thousand only).

- The letter of intent from the aforesaid proposed allottees agreeing to subscribe to the offer has been received. Apart from Mr. K. Ramachandra Reddy, promoter of the company, none of the other promoters, Directors and Key Management Personnel of the company will subscribe to the proposed offer.
- The "Relevant Date" as per SEBI Regulations for determining the minimum price for the preferential offer is Monday, 31st August 2015, being 30 days prior to the date of the 16th Annual GeneralMeeting.
- The issue price of Rs.4.72/- (Four Rupees Seventy Two paisa only) at which proposed securities are to be allotted is higher than the minimum price as per the SEBI pricing formula.
- The price of the Issue Shares to be allotted to Mr. K. Ramachandra Reddy and Mr. K Sandeep Reddy , CCD' s issued to Investors; and Equity Warrants issued to Mr. Madhu Mohan Venkat Katikinenihas been arrived at based on the minimum price determined under the SEBI Regulations and an additional premium agreed to between the Company and Mr. K. Ramachandra Reddy, Mr. K. Sandeep Reddy, Investors and Mr. Madhu Mohan Venkat Katikineni under the provisions of first proviso to Rule13(1) of the Companies (Share Capital and Debenture) Rules, 2014.
- The Company undertakes that if required, the price shall be re-computed in terms of the provisions of the SEBI (ICDR) Regulations. If the amount payable upon the re-computation is not paid within the stipulated time as mentioned in the SEBI (ICDR) Regulations, the specified securities shall continue to be locked-in till such amount is payable by the allottees.

- The allotment of Equity Shares, CCDs and Equity Warrants shall be completed within a period of 15 days from the date of passing of resolution by the shareholders provided that where the allotment is pending on account of pendency of any approval from any regulatory authority / body, the allotment shall be completed by the company within a period of 15 days from the date of such approval.
- The CCDs shall be converted into 21,186,440 (Two Crores Eleven Lakhs Eighty Six Thousand Four Hundred and Forty Only) equity shares of the Company within a period of 18 (eighteen) months from the date of their allotment.
- The entire amount payable on the Issue Shares, CCDs shall be received by the Company prior to allotment.
- In accordance with Chapter VII of SEBI (ICDR) Regulations, 2009, 25% of the consideration payable for the warrants (and the equity shares into which they are converted), shall be paid by the proposed allottees to the Company upon issue and allotment of the warrants.
- The amount paid on issue of warrants shall be forfeited if the warrants are not exercised within a period of 18 months from the date of issue of warrants.
- Post allotment of the Issue Shares, CCDs & Convertible Warrants, the increase in equity share capital would be Rs. 145,001,542/- (Rupees Fourteen Crores Fifty Lakhs One Thousand Five Hundred and Forty Two only) and the increase in securities premium, would be Rs. 71,985,492/- (Rupees Seven Crores Ninteen Lakhs Eighty five Thousand Four Hundred and Ninty Two only).
- There will be no change in control of the company upon the allotment of the issue of Shares and CCDs Shares consequent to the preferential issue.

Lock-in period:

The Issue Shares to be offered issued and allotted to Mr. K. Ramachandra Reddy and Mr. K Sandeep Reddy, CCDs issued to Investors; and Equity warrants issued to Mr. Madhu Mohan Venkat Katikineni be subject to Lock-in as provided under the provisions of SEBI Regulations.

The entire pre preferential shareholding of the above allottee, if any shall be locked-in from the relevant date up to the period of 6 months from the date of trading approval as per Regulation 78 (6) of the SEBI (ICDR) Regulations.

Listing:

The Company will make an application to the stock exchanges at which the existing shares are listed, for listing of the Issue Shares Such Issue Shares once allotted, CCDs and Equity Warrants upon conversion, will rank *paripassu* with the existing equity shares of the Company in all respects, including dividend.

Shareholding pattern before and after the proposed issue is as follows:

Category	Pre-Issue Equity Shareholding		After Allotment of Equity Shares		After Allotment of Warrants Shares		After Allotment of CCD Shares \	
	No. of shares	% of Holding	No. of shares	% of Holding	No. of shares	% of Holding	No. of shares	% of Holding
(A) Shareholding of Promoter & Promoter Group								
1. Indian								
Individuals/Hindu Undivided Family (Including Persons Acting in concert)	168156	0.37	168156	0.33	168156	0.33	168156	0.23
Sub- Total (A) (1)	**168156**	**0.37**	**168156**	**0.33**	**168156**	**0.33**	**168156**	**0.23**
2. Foreign								
Individuals(NRI's/Foreign individuals Including Persons Acting in concert)	8315812	18.06	10858185	21.28	10858185	21.16	10858185	14.98
Sub- Total (A) (2)	**8315812**	**18.06**	**10858185**	**21.28**	**10858185**	**21.16**	**10858185**	**14.98**
Total Shareholding of Promoter & Promoter Group(A)=(A)(1) + (A) (2)	**8483968**	**18.43**	**11026341**	**21.61**	**11026341**	**21.49**	**11026341**	**15.21**

(B) Public Share Holdings								
1. Institutions								
Financial Institutions/ Banks	150	0.00	150	0.00	150	0.00	150	0.00
FIIs	0	0.00	0	0.00	0	0.00	0	0.00
Sub- Total (B) (1)	**150**	**0.00**	**150**	**0.00**	**150**	**0.00**	**0**	**0.00**
2. Non-Institutions								
Bodies Corporate	4962940	10.78	4962940	9.73	4962940	9.67	19793448	27.30
Individuals								
Individuals- Shareholders holding nominal share capital up to Rs.1 Lakh	23669743	51.42	23669743	46.40	23669743	46.13	23669743	32.65
Shareholders holding nominal share capital in excess of Rs.1 Lakh	8343854	18.12	10780295	21.13	11080295	21.59	17436227	24.05
Any Other (specify)-NRI	529659	1.15	529659	1.04	529659	1.03	529659	0.73
CLEARING MEMBER	45203	0.10	45203	0.09	45203	0.09	45203	0.06
Sub- Total (B) (2)	**37551399**	**81.57**	**39987840**	**78.39**	**40287840**	**78.51**	**61474280**	**84.79**
(B). Total Public Shareholding (B) = (B)(1) + (B) (2)	**37551549**	**81.57**	**39987990**	**78.39**	**40287990**	**78.51**	**1474430**	**84.79**
GRAND TOTAL (A+B)	**46035517**	**100**	**51014331**	**100**	**51314331**	**100**	**72500771**	**100**

** a) The number of shares and percentage of post issue may undergo change based on the exact number of shares that may be allotted.

b) The proposed allottees have stated that they are not related to any other allottee and are not acting in concert with each other

Certificate from Auditors:

The certificate issued by M/s. Gokhale& C, Chartered Accountants, Statutory Auditors of the Company as to the pricing of the Issue Shares, Issue CCDs and Issue Equity Warrants in this preferential issue and certifying that this preferential issue is being made in accordance with the requirements contained in Chapter VII of the SEBI Regulations, will be placed before the shareholders at the meeting and will be kept open for inspection in the manner indicated in Note 9 above. As it is proposed to issue equity shares and convertible securities of the Company on a preferential basis, it is required to be approved by the shareholders by way of a special resolution pursuant to the provisions of Section 62 of the Companies Act, 2013, rules there under and Chapter VII of the SEBI Regulations. The directors recommend the resolution in Item No. 6, 7 & 8 above for approval and adoption.

Mr. K. Ramachandra Reddy, Chairman & CEO, Promoter of the Company, together with their relatives shall be deemed to be concerned or interested in the proposed Resolution in Item No. 6,apart from the above, no other Directors, Key Managerial Persons (KMPs) of the Company or any relatives of such Director or KMPs, shall be deemed to be concerned or interested in the proposed Resolutions in Item No.6, 7 & 8 except to the extent of shares held by any of them in the Company.

By Order of the Board of Directors

Hyderabad
31st August 2015

CS Suresh Bachalakura
Company Secretary