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CSL/SE/2011

June 13, 2011

The Asst. Vice President,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
MUMBAI - 400 051
Fax :No. 022 – 26598237 / 8

Department of Corporate Services - CRD
Bombay Stock Exchange Limited,
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street
MUMBAI - 400 001
Fax No. 022 – 22723121

Dear Sir,

Sub: Conduct of Postal Ballot for seeking approval under Section 293(1)(a) of the Companies Act, 1956 for sale of BPO Division.

Further to the intimation given to the Stock Exchanges earlier on June 10, 2011, the Board of Directors of Cambridge Solutions Ltd (the "**Company**") in its meeting held on June 13, 2011, explored various alternatives to honour the financial commitment arising out of invocation of the corporate guarantee provided in favour of Xchanging UK Limited in respect of the loan provided by Xchanging UK Limited to Cambridge Integrated Services Group Inc. ("**CISGI**"), and decided to sell and transfer, the Company's Business Process Outsourcing division including its investments in Cambridge Builders Private Limited (a wholly owned subsidiary of the Company) ("**BPO Division**") as a going concern to Xchanging Technology Services India Private Limited, ("**XTSI**") an indirect wholly owned subsidiary of Xchanging Plc, subject to approval of the members of the Company by a postal ballot as required by the provisions of Sections 293(1)(a) and 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001 for a total agreed valuation of INR 2,998 million, supported by two independent valuations, to be suitably adjusted for working capital as on the date of actual transfer and XTSI will settle fund based credit facilities of the Company directly. The net payment to the Company, after settlement of debt would be approximately INR 2,460 million.

Accordingly, the Notice and the Postal Ballot for seeking the consent for sale and transfer of the BPO Division will be sent to the Members of the Company in due course.

Given that the proceeds of the sale of the BPO Division after adjusting outstanding fund based credit facilities would not be sufficient to meet the financial obligation under the invoked corporate guarantee, the Board of Directors at its meeting held on June 13, 2011 also decided to sell the shares held by the Company in Cambridge Integrated Services Victoria Pty Ltd, Australia a wholly owned subsidiary of the Company to a subsidiary of Xchanging Plc at a price of USD 16.7 million arrived at based on the fair valuation of shares to meet the financial commitment.

This is for your information and records.
Thanking you,

Yours faithfully,
for CAMBRIDGE SOLUTIONS LIMITED

Vijayamahantesh V. Khannur
Company Secretary