

SAKSOFT LIMITED

Registered Office : No.40, SP Infocity, 2nd Floor, Block A, Dr.MGR Salai, Perungudi, Kadanchavadi, Chennai - 600 096.

Tel Ph: +91-44-2454 3500, Fax : +91-44-24543510

Notice for Postal Ballot

NOTICE is hereby given pursuant to Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, for the consent of the Members of Saksoft Limited for the proposed resolutions set out below, which consent is sought to be obtained by means of Postal Ballot.

RESOLUTIONS

1. To consider and, if thought fit, to pass with or without modifications, the following as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 293(1)(d) of the Companies Act, 1956 and other applicable provisions, if any, consent of the Company be and is hereby accorded to the Board of Directors to borrow on behalf of the company, monies from time to time by way of loans, advances, credits or otherwise from the existing limit of Rs.100 Crores to Rs.250 Crores (apart from temporary loans obtained or to be obtained from the company's banker in the ordinary course of business) from banks, financial institutions and other sources from time to time notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes.

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution the Board/Committee be and are hereby authorized to finalize, settle and execute such documents/ deeds / writings / papers / agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulties or doubts that may arise with regard to borrowings as aforesaid."

2. To consider and, if thought fit, to pass with or without modifications, the following as an Ordinary Resolution:

"RESOLVED THAT the approval of Shareholders be and is hereby accorded in terms of Section 293 (1) (a) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) and such other approvals as may be necessary, to the Board of Directors to mortgage and/or charge, in addition to the mortgages/charges created/to be created by the Company in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable/immoveable properties of the Company, both present and future and/or whole or any part of undertaking(s) of the Company for securing the borrowings of the Company availed/to be availed by way of loan(s) in rupee currency and/or foreign currency and Securities(comprising fully/partly Convertible Debentures and/or Non-Convertible Debentures, on all or any of the above, with or without detachable or non-detachable warrants an/or secured premium notes and/or floating rates notes/bonds or other debt instruments) issued/to be issued by the Company, from time to time, subject to the limit approved under Section 293 (1) (d) of the Companies Act, 1956, together with interest at the respective agreed rates, additional interest, compound interest, in case of default accumulated interest, liquidated damages, commitment charges, premia on prepayments, remuneration of the Agent(s)/ Trustee, premium (if any) on redemption, all other costs, charges and expenses as a result of devaluation/ revaluation/fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s)/Heads of Agreement(s), Trust Deed(s) or any other document, entered into/to be entered into between the Company and the Lender(s)/Agents and Trustee(s)/Trustees, in respect of the said loans/borrowings/debentures/bonds or other securities and containing such specific terms and conditions

CERTIFIED TRUE COPY

For SAKSOFT LIMITED

COMPANY SECRETARY

NOTES :-

1. The relative Explanatory Statement pursuant to Section 173(2) or the Companies Act, 1956 stating out material facts is annexed hereto.
2. Pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot Rules, 2001), the assent or dissent of the members in respect of the above resolutions contained in postal ballot notice dated 21st January 2011 is being determined through postal ballot.
3. The Board of Directors has appointed Mr. V Suresh, Company Secretary in Practice, as the Scrutinizer for conducting the postal ballot process. The self-addressed envelope attached to this notice bears the address to which duly completed postal ballot form is to be sent.
4. Members are requested to carefully read the instructions printed in the postal ballot form and return the duly completed form in the attached self addressed envelope, so as to reach the Scrutinizer on or before closing business hours of 2nd March 2011
5. The Board of Directors of the Company have appointed Mr. Aditya Krishna, Managing Director and Mr. S. Narayan, Company Secretary as the persons responsible for the entire postal ballot process.
6. The Scrutinizer will submit his final report on 8th March 2011 at 04.00 P.M.
7. Mr. Aditya Krishna, Managing Director shall announce the result of postal ballot at the Corporate Office of the Company situated at SP Infocity, No. 40, 2nd Floor, Dr. MGR Salai, Perungudi, Kadanchavadi, Chennai - 600 096 at 05.00 PM on 8th March 2011. Members, who wish to be present at the time of declaration of the results, may do so at the said venue. The date of declaration of postal ballot result will be taken to be the date of passing the special resolution.
8. All documents referred to in the accompanying Notice and Explanatory Statement will be open for inspection at the Corporate Office of the Company on all working days from 31st January 2011 up to 2nd March 2011 between 11.00 AM and 1.00 PM except Saturdays & Sundays.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No.1

Your Company had previously taken approval from the members to borrow on behalf of the company, monies from time to time by way of loans, advances, credits or otherwise to the extent of Rs.100 Crores at its Seventh Annual General Meeting of the Company. In view of the increasing activities and operations and considering the working capital requirements and other general corporate purposes of the Company, it is thought fit to increase the limit to Rs.250 Crores. Under section 293(1)(d) of the Act, the Board of directors cannot, except with the approval of the members, borrow monies, in excess of the company's paid up capital and its free reserves. Hence this resolution. Your directors, therefore, recommend the resolution for your approval.

None of the directors are in any way concerned or interested in this resolution.

Item No.2

As stated in the explanatory statement at Item No.1 of this notice, your Company's activities and operations are increasing, thereby necessitating borrowings as stated in the resolution at Item No.1. Your Directors consider that it would be expedient to have the approval of the shareholders for creating mortgage/charge in favour of various lenders in the event of your Company availing financial facilities of a secured nature. The Resolution at Item No.2 is, therefore, placed for approval of the members pursuant to Section 293(1)(a) of the Companies Act, 1956.

None of the Directors of your Company are, in any way, concerned or interested in this resolution.

covenants in respect of enforcement of security as may stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Lender(s)/Agent(s)/Trustee(s)."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to prepare, finalise and execute with the financial institution/banker or any other person, as the case may be, documents, deeds, writings and agreements, as may be necessary for creating mortgages and/or charges as aforesaid and to do all such acts, deeds, matters and things as may be necessary and/or expedient for giving effect to this resolution.

3. To consider and, if thought fit, to pass with or without modifications, the following as Special Resolution:

"RESOLVED THAT subject to the provisions of Section 372 A of the Companies Act, 1956 as amended from time to time and other applicable provisions of the Companies Act, consent of the shareholders be and are hereby accorded to the Company to make any loans or inter corporate loans, Investments and to give any guarantees or to provide security in connection with a loan made by any other person to, or to any other person, by any body corporate up to Rs.250 Crores notwithstanding that such investments, outstanding loan given or to be given and guarantees and security provided are in excess of 60 percent of the paid up share capital and free reserves of the Company or 100 percent of the Free Reserves of the Company, which ever is more, as prescribed under Section 372A, as detailed in the attached Explanatory Statement, as they in their absolute discretion deem beneficial and in the interest of the Company."

"RESOLVED FURTHER THAT the Board of Directors (or a Committee formed by them for this purpose), be and are hereby authorized to discuss, negotiate and finalize the terms and conditions of the proposed loans, Inter corporate loans, investment/lending or giving guarantees which they may deem fit in the interests of the Company."

4. To consider and, if thought fit, to pass with or without modifications, the following as Special Resolution:

"RESOLVED THAT in accordance with the provisions contained in the Companies Act, 1956 ("the Act") and the provisions contained in the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the Guidelines") (including any statutory modification(s) or re-enactment of the Act or the Guidelines, for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "The Board" which term shall be deemed to include any Committees thereof), consent of the members be and is hereby accorded for the amendment of the following clauses for extending the exercise period to 5 years from the date of granting of options under the ESOP 2006 scheme of the Company"

Clause 10.2 - Options can be exercised within the exercise period of 5 years from the date of granting of option by paying in full the stipulated exercise price per share.

Annexure A (Program) - Point no.5 - Exercise Period

Options can be exercised within the exercise period of 5 years from the date of granting by paying in full the stipulated exercise price per share."

Place : Chennai
Date : 21.01.2011

By Order of the Board of Directors
Sd/-
S.Narayan
Company Secretary

CERTIFIED TRUE COPY

For SAKSOFT LIMITED

COMPANY SECRETARY

Item No. 3

Your Company which had made successful investments in its Wholly Owned Subsidiaries abroad and is now considering options to make further investments both within India and abroad as they deem beneficial and in the best interest of the Company. The overall limit for such investments, loans to be granted and guarantees and security to be provided is likely to be around Rs.250 Crores. As this would exceed the limits prescribed under as prescribed under Section 372A of the Companies Act, 1956 prior approval of the members should be obtained through a special resolution. Sec 192A read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 requires that the said special resolution be approved by the shareholders through postal ballot. Accordingly, this resolution is being placed for your approval. The Directors commend passing of the special resolution.

None of the Directors of your Company are, in any way, concerned or interested in this resolution.

Item No. 4

The Members at their Extraordinary General Meeting held on 3rd February 2006 have approved Employee Stock Option Plan 2006. As per the plan, the exercise period for the options granted is 12 months from the date of vesting. The Company now wishes to extend the exercise period to 5 years from the date of grant for the benefit of its employees who shall have a longer exercise period to take an informed decision on exercising the options. By extending the exercise period the Company also seeks to avoid the vested options getting lapsed due to non-exercise by its employees.

As per the SEBI Guidelines, a separate resolution is required to be passed if there is a variation in the terms of the Employee Stock Option Scheme. Therefore your directors recommend the resolution no.4 to be passed as special resolution by the members.

None of the Directors of your Company are, in any way, concerned or interested in this resolution.

By Order of the Board of Directors

Sd/-

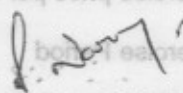
Place : Chennai

S.Narayan

Date : 21.01.2011

Company Secretary

For SAKSOFT LIMITED



By Order of the Board of Directors

Sd/-

S.Narayan

Company Secretary

Place : Chennai

Date : 21.01.2011