

# SOFTWARE TECHNOLOGY GROUP INTERNATIONAL LIMITED

Regd. Office: E-21, 2<sup>nd</sup> Floor, South Extension, Part-I, New Delhi-110049

Tel: +91-11-40560942 Fax: +91-11-40560941



## NOTICE

NOTICE is hereby given that an Extra-Ordinary Meeting of the members of the Company will be held on Monday, the 28<sup>th</sup> day of February, 2011 at 09:30 A.M. at Plot No. 9, Sector-33, Gurgaon, Haryana-122001 to transact the following business:

### Special Business:

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

**"RESOLVED THAT** pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 and any other laws, rules and regulations (including any amendments thereto or re-enactments thereof for the time being in force) as may be applicable and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions of such statutory, Government and/or regulatory authorities / agencies, including the Stock Exchanges either in India or abroad, SEBI, RBI, etc., and subject to such conditions and modifications, if any, 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 (the 'Board' which term shall include any Committee which the Board of Directors may have constituted or may hereafter constitute for the time being for exercising the powers conferred on the Board of Directors by this Resolution) and as per various provisions of SEBI (Issue of Capital & Disclosure Requirements) Regulations 2009, and pursuant to the valuation done by the Statutory Auditors of the company on the relevant date viz; 29<sup>th</sup> January, 2011, the approval of the shareholders be and is hereby accorded to the Board, to create, offer, issue and allot 12,37,140 equity shares of the face value of Rs. 10/- each at par to M/s. AKM Systems Pvt. Ltd., a non-promoter entity, on preferential basis by converting their unsecured loan amounting to Rs. 1,23,71,400/- (including interest accrued till 31/12/2010) into equity shares of the Company."

**"RESOLVED FURTHER THAT** the Equity Shares shall rank *pari passu* in all respects with the existing Equity Shares of the Company, including entitlement to dividend."

**"RESOLVED FURTHER THAT** the equity shares allotted on preferential basis shall be locked in for a period of one year from the date of their allotment."

**"RESOLVED FURTHER THAT** for the purposes giving effect to above resolution, the Board be and is hereby authorised to do and perform all such acts, deeds and things as it may, in its absolute discretion deem necessary, desirable or appropriate to settle any question, difficulty or doubt that may arise in regard to the issue of equity shares as it may think fit and to accept on behalf of the Company such conditions and modifications, if any, relating to the issue of equity shares which may be imposed, required or suggested by any regulatory authority and which the Board in its discretion thinks fit and proper."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to any Committee of Directors or to any Officer or Officers of the company to give effect to this resolution."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorised to accept any modification(s) to or to modify the terms of issue of the said new equity shares subject to the provisions of the Companies Act, 1956 and SEBI/ Listing Guidelines / Regulations without being required to seek any further consent or approval of the Company in general meeting."

By Order of the Board  
For Software Technology Group International Ltd.  
Date: 02/02/2011  
Place: Gurgaon

Sd/-  
Madhvi Sharma  
Company Secretary

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.**
- Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 relating to special business is annexed hereto.
- Members attending the meeting are requested to complete the enclosed attendance slip & deliver the same at the entrance of the meeting place. Attendance at the meeting will not be allowed without the production of the attendance slip duly signed. Members, whose shares are in the dematerialized form, are requested to bring their Depository Account Number for Identification.
- A Certificate from the statutory auditor of the Company certifying that the issue is being made in accordance with the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, shall be placed before the shareholders in the general meeting.

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.

#### Item No. 1

In order to reduce the debt of the company, it is proposed to convert the loan (including Outstanding Interest) amounting Rs. 1,23,71,400/- of AKM systems (P) Ltd standing in the books of accounts of the Company as on 31/12/2010 into equity shares by creating fully paid-up 12,37,140/- equity shares of Rs. 10/- each. The consent of AKM Systems (P) Ltd. has been duly obtained.

This conversion of equity shares involves preferential issue of shares to non-promoter and as per Section 81 (1A) of the Companies Act, 1956 approval of shareholders in the General Meeting by way of special resolution is required for allotment of equity shares on preferential basis and hence this resolution is placed before the shareholders for their approval.

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As per Regulation 76 of the SEBI (Issue of Capital & Disclosure Requirements) Regulations 2009, the price of the shares proposed to be issued on preferential basis shall not be less than the price calculated as on the relevant date, which is 30 days prior to the date of the Extra Ordinary General Meeting of the Company. In the present case, the relevant date is 29<sup>th</sup> January, 2011. The Company has obtained a certificate from the Statutory Auditor of the Company calculating the price of shares as Rs. 6.81/- as stipulated under the aforesaid regulations. However as per the restrictions provided in Section 79 of the Companies Act, 1956, the Company can not issue shares at a discount without the previous approval of the Central Government, hence it is proposed to issue the shares at par viz. at Rs. 10/- per share.

**The required disclosures as per regulation 73 of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009(hereafter referred as "regulations") as amended from time to time, are furnished as under:**

## 1. Object of the Preferential Issue:

- ♦ To reduce the debt of the company.

## 2. Proposal of the Promoters and Promoters Group, Director or Key Management Personnel to subscribe to the offer:

None of the Promoters and Promoters Group, Director or Key Management Personnel intends to subscribe to the offer.

## 3. Shareholding Pattern of the Company before and after the preferential issue:

The pre-issue and post-issue shareholding have been calculated as per the shareholding of the company as on 28<sup>th</sup> January, 2011

| Sr. No   | Category                                                     | Pre-issue holding |              | Post Holding   |              |
|----------|--------------------------------------------------------------|-------------------|--------------|----------------|--------------|
|          |                                                              | No. of Shares     | % of Holding | No. of Shares  | % of Holding |
| <b>A</b> | <b>Shareholding of Promoter and Promoter Group</b>           |                   |              |                |              |
| <b>1</b> | <b>Indian</b>                                                |                   |              |                |              |
|          | Individuals/ Hindu Undivided Family                          | 5140795           | 37.80        | 5140795        | 34.65        |
|          | Bodies Corporate                                             | 2403834           | 17.68        | 2403834        | 16.20        |
|          | <b>Sub Total</b>                                             | <b>7544629</b>    | <b>55.48</b> | <b>7544629</b> | <b>50.85</b> |
| <b>2</b> | <b>Foreign</b>                                               | <b>NIL</b>        | <b>NIL</b>   | <b>NIL</b>     | <b>NIL</b>   |
|          | <b>Total Shareholding of Promoter and Promoter Group (A)</b> | <b>7544629</b>    | <b>55.48</b> | <b>7544629</b> | <b>50.85</b> |

|          |                                                                                             |                 |              |                 |              |
|----------|---------------------------------------------------------------------------------------------|-----------------|--------------|-----------------|--------------|
| <b>B</b> | <b>Public shareholding</b>                                                                  |                 |              |                 |              |
| <b>1</b> | <b>Institutions</b>                                                                         |                 |              |                 |              |
|          | Mutual Funds/ UTI                                                                           | NIL             | NIL          | NIL             | NIL          |
|          | Financial Institutions / Banks                                                              | 26094           | 0.19         | 26094           | 0.18         |
|          | Central Government/ State Governments                                                       | NIL             | NIL          | NIL             | NIL          |
|          | Foreign Institutional Investors                                                             | NIL             | NIL          | NIL             | NIL          |
|          | <b>Sub-Total</b>                                                                            | <b>26094</b>    | <b>0.19</b>  | <b>26094</b>    | <b>0.18</b>  |
| <b>2</b> | <b>Non-institutions</b>                                                                     |                 |              |                 |              |
|          | Bodies Corporate                                                                            | 2021086         | 14.86        | 3258226         | 21.96        |
|          | Individuals holding nominal share capital upto Rs. 1 lakh                                   | 2791111         | 20.52        | 2791111         | 18.81        |
|          | Individuals holding nominal share capital in excess of Rs. 1 lakh                           | 1176427         | 8.65         | 1176427         | 7.93         |
|          | Clearing Members                                                                            | 4475            | 0.03         | 4475            | 0.03         |
|          | NRIs                                                                                        | 36178           | 0.27         | 36178           | 0.24         |
|          | <b>Sub-Total</b>                                                                            | <b>6029277</b>  | <b>44.33</b> | <b>7266417</b>  | <b>48.97</b> |
|          | <b>Total Public Shareholding (B)</b>                                                        | <b>6055371</b>  | <b>44.52</b> | <b>7292511</b>  | <b>49.15</b> |
| <b>C</b> | <b>Shares held by Custodians and against which Depository Receipts have been issued (C)</b> | NIL             | NIL          | NIL             | NIL          |
|          | <b>Total A+B+C</b>                                                                          | <b>13600000</b> | <b>100</b>   | <b>14837140</b> | <b>100</b>   |

## 4. Time within which preferential issue shall be completed:

As required under regulation 74(1) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the allotment is proposed to be made within 15(Fifteen) days from the date of passing of special resolution. However, in case the allotment could not be made because of any pending approval from a regulating authority, the allotment shall be within 15 days from the date of such approval.

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### 5. Identity of the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:

The shares shall be subscribed by the non-promoter entity viz; M/s AKM Systems Private Limited. The post preferential issue capital details are as follows:

| Sl. No. | Identity of Proposed Allottee | Proposed no. of equity shares to be allotted | Percentage of post issue equity capital held by proposed allottee |
|---------|-------------------------------|----------------------------------------------|-------------------------------------------------------------------|
| 1.      | AKM Systems Private Limited   | 12,37,140                                    | 8.34 %                                                            |

**Change in Control** : The existing Promoters of the Company will continue to be in control of the Company. There will be no change in the Management/ Control of the Company as a result of the proposed preferential issue. However, Voting rights will change in tandem with the shareholding pattern.

### 6. Undertakings:

- We undertake that we shall re-compute the price of the equity shares referred in this resolution in terms of the provision of these regulations where it is required to do so;
- We also undertake that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.

The Board recommends the above mentioned resolution to be passed as a special resolution.

None of the Directors is, in anyway concerned or interested in this resolution except as a member of the Company.

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By Order of the Board  
For **Software Technology Group International Ltd.**

Date: 02/02/2011

Place:Gurgaon

Sd / -  
**Madhvi Sharma**  
Company Secretary

**SOFTWARE TECHNOLOGY GROUP INTERNATIONAL LIMITED**  
**Regd. Office: E-21, 2<sup>nd</sup> Floor, South Extension, Part-I, New Delhi-110049**

**Extra-Ordinary General Meeting to be held on Monday the 28<sup>th</sup> February, 2011  
at 09:30 A.M. at Plot No. 9, Sector-33, Gurgaon, Haryana-122001.**



**ATTENDANCE SLIP**

Registered Folio No. : .....(or)

\*Demat Account No. .... D.P. id. No. ....

Name & Address of Shareholder(s): .....

.....  
I/We certify that I am/We are Member/s Proxy of the Company holding .....Shares  
and hereby record my/our presence at the EXTRA-ORDINARY GENERAL MEETING of the Company at  
Plot No. 9, Sector-33, Gurgaon, Haryana-122001 at 09:30 A.M. on Monday, the 28<sup>th</sup> February. 2011.

**Signature of Member /s/ Proxy**

**A Member or his duly appointed Proxy wishing to attend the meeting must complete this Admission Slip  
and hand it over at the entrance.**

Name of the Proxy in Block Letters.....

(In case a Proxy attends the meeting)

\*Those who hold Shares in Demat Form quote their Demat Account No. and Depository Participant  
(D.P.) Id. Number.

**REGISTRATION COUNTER WILL BE OPEN FROM 09:15 A.M. TILL THE START OF EXTRA-  
ORDINARY GENERAL MEETING.**

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**Regd. Office : E-21, 2<sup>nd</sup> Floor, South Extension, Part-I, New Delhi-110049**

**Extra-Ordinary General Meeting to be held on Monday the 28<sup>th</sup> February, 2011  
at 09:30 A.M. at Plot No. 9, Sector-33, Gurgaon, Haryana-122001.**



**Proxy Form**

I/We.....of.....being a Member/ Member(s) of Software  
Technology Group International Ltd. hereby appoint.....of.....falling  
him/her .....of.....as my/our Proxy to attend and vote for me/us  
on my/our behalf at the Extra-Ordinary General Meeting of the Company to be held at Plot No. 9,  
Sector-33, Gurgaon, Haryana-122001 at 09:30 A.M. on Monday, the 28<sup>th</sup> February. 2011 and at any  
adjournment thereof.

In witness whereof

I/we have **signed** on this.....day of.....2011

Registered Folio No. : .....(or)

\*Demat Account No.: .....D.P. Id. No. : .....

No. of Shares.....

Affix  
Rs. 1/-  
Revenue  
Stamp

**Signatures**

Member intending to appoint a Proxy should complete the Proxy and deposit it at the Company's  
Registered Office, **at least 48 hours before the meeting.**

\*Those who hold Shares in Demat Form must quote their Demat Account No. and Depository  
participant (D.P) Id. Number.

**A Proxy cannot speak at the meeting or vote on a show of hands.**