

GSS Infotech Limited

Registered Office: Level 5, Block 2, Cyber Pearl, Madhapur, Hyderabad-500081

NOTICE OF POSTAL BALLOT

(Pursuant to Section 192A of the Companies Act, 1956)

Dear Shareholder(s),

Notice is hereby given, to the Members of GSS Infotech Limited for passing the following resolution through Postal Ballot pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011 (including any statutory modification or re-enactment thereof for the time being in force).

In accordance with Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011, the consent of the shareholders is sought by way of postal Ballot. Accordingly, draft resolutions for the aforesaid purposes and the explanatory statement with reference thereto are enclosed along with a Postal Ballot Form for your consideration and doing the needful. Shri A.Someswara Rao & Associates, Company Secretaries has been appointed as Scrutinizer for conducting the postal ballot process. You are requested to carefully read the instructions printed on the Postal Ballot Form and return the Form (no other form or photocopy thereof is permitted) duly completed, indicating your assent (FOR) / dissent (AGAINST) for each resolution in the attached business reply envelope so as to reach the Scrutinizer on **or before the close of working hours on Monday, 30th December 2013**. Please note that any Postal Ballot Form(s) received after closing hours of the said date will be treated as not having been received. The Scrutinizer will submit his report to the Chairman or Managing Director or any other Director of the Company after completion of the scrutiny of the postal ballots and the results thereof will be announced on **Tuesday, 31st December, 2013**, at the Registered Office of the Company at Level 5, Block 2, Wing-5-01, Cyber Pearl, Madhapur, Hyderabad 500081.

Special Business:

1. Increase in the limit of shareholding by registered Foreign Institutional Investors ("FIIs") from 22% to 49% of the paid capital of the Company

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

"RESOLVED THAT pursuant to the provisions of Foreign Exchange Management Act, 1999, ("FEMA") and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("Regulations") and all other applicable rules and regulations, guidelines and laws (including any statutory modifications or re-enactment thereof for the time being in force) and subject to all applicable approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions, sanctions which may be agreed to by the Board of Directors of the Company ("Board"), consent of the Shareholders of the Company be and is hereby accorded to the Board of Directors of the Company to permit Foreign Institutional Investors ("FIIs") including their sub-accounts, to invest in the equity shares of the Company by purchase or acquisition from the market under the Portfolio Investment Scheme prescribed under FEMA and the said Regulations provided that the total holding of FIIs put together shall not exceed 49% (fourty nine Percent) of the paid up equity share capital of the Company, provided, however, that the equity shareholding of each FII shall not exceed such limits as are or as may be prescribed, from time to time, under applicable laws, rules and regulations. **RESOLVED FURTHER THAT** the Board of Directors of the Company severally be and is hereby authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution including intimating the concerned authorities or such other regulatory body and for matters connected therewith or incidental thereto including delegating all or any of the powers conferred herein to any Committee of Directors or any Director or Officer of the Company.

By Order of the Board
For GSS Infotech Limited,

Sd/-

Place : Hyderabad
Date : 12th November 2013

R.S.Kalyan Bhaskar
Company Secretary

Note:

1. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, setting out material facts in respect of the business of this notice is annexed hereto.

(2) Shri A.Someswara Rao & Associates, Company Secretaries has been appointed as the Scrutinizer to receive and scrutinize the completed Postal Ballot Form from the Members. The Postal Ballot Form and the business reply envelope are enclosed for use of the Members.

(3) All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public Holidays) between 11:00 a.m. and 1:00 p.m. upto Monday, 30th December, 2013.

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

1.At present FII investment in the company in aggregate is restricted to 22% of the paid up capital of the company. It has come to the notice of the Company that the above threshold limit has crossed recently.

In terms of FEMA, the ceiling of FII in the Company can be raised up to the sectoral cap/ statutory limit, subject to the approval of the Board of Directors and the Shareholders of the Company by passing a special resolution to that effect.

Board of Directors of the Company on August 12, 2013 approved increase in the limit of investments by FIIs in the equity share capital of the Company from 22% to 49% subject to approval of the Shareholders, Reserve Bank of India and any other statutory approvals as may be required.

The resolution set out in the Notice will enable the FIIs to acquire shares of the Company under Portfolio Investment Scheme within the revised ceiling specified under the resolution.

Your Directors recommend the above Special Resolution for your approval

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None of the Directors of the Company is interested in this resolution.

By Order of the Board
For GSS Infotech Limited,

Place : Hyderabad
Date : 12th November 2013

Sd/-
R.S.Kalyan Bhaskar
Company Secretary

POSTAL BALLOT FORM

Sl. No.

| | | |
|---|---|--|
| 1 | Name and registered address of : the sole/ first named Member (In BLOCK LETTERS) | |
| 2 | Name (s) of the Joint Member (s), : if any (In BLOCK LETTERS) | |
| 3 | Registered Folio No./ DP ID/ Client ID* : * Applicable to investors holding shares in dematerialized form | |
| 4 | No. of shares held | |

I/ We hereby exercise my/ our vote in respect of the Special Resolution to be passed through Postal Ballot for the business stated in the Notice of the Company dated November 12, 2013 by conveying my/ our assent or dissent to the said resolution by placing the tick (✓) mark at the appropriate box below :

| Description | No. of Shares | I/ We assent to the resolution (FOR) | I/ We assent to the resolution (AGAINST) |
|--|---------------|--------------------------------------|--|
| a) Special Resolution for <i>Increase in the limit of shareholding by registered Foreign Institutional Investors ("FIIs") from 22% to 49% of the paid capital of the Company</i> | | | |

Place:

Date:

(Signature of the applicant)

Note: Kindly read the instructions printed overleaf before filing the form.
Last date of receipt of Postal Ballot Form by Scrutinizer is 30th December 2013.