

SAKSOFT

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Saksoft Limited

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SAKSOFT LIMITED

BOARD OF DIRECTORS

Chairman
Managing Director
Chief Executive Officer
Non-Executive Director
Independent Non-Executive Director
Independent Non-Executive Director
Independent Non-Executive Director

Mr. Autar Krishna
Mr. Aditya Krishna
Mr. V Ramanathan
Mr. S C Agarwal.
Mr. R Rajagopalan
Mr. Amitava Mukherjee
Mr. Suresh Subramanian

CHIEF FINANCIAL OFFICER

Mr. Ananth Subramanian

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. V Swaminathan

AUDITORS

M/s Suri & Co.,
Chartered Accountants
Old.No.55/8
Chevalier Shivaji Ganesan Road
Chennai – 600 007

BANKERS

Citibank N.A., Chennai
Deutsche Bank., Chennai
ICICI Bank., Chennai
HDFC Bank., Chennai
IndusInd Bank., Chennai

REGISTERED AND CORPORATE OFFICE

“SRI RAM NIVAS”
#38, V.K.Iyer Road
Mandaveli
Chennai – 600 028.
Ph: 91-44-24614501
Fax:91-44-24614486

EMAIL

info@saksoft.com

WEB-SITE

www.saksoft.com

NOIDA DEVELOPMENT CENTRE

B-35/36, Sector 80
Phase – II, Noida – 201 305
Uttar Pradesh

SUBSIDIARIES

Saksoft Inc., USA
Saksoft Pte Limited., Singapore
Saksoft Investment Pvt Limited, London
Saksoft GmbH., Germany
Saksoft Pty Limited., Australia
Saksoft Limited, UK Branch

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Ninth Annual General Meeting of the members of the Company will be held on Thursday the 25th September 2008 at 10.00 AM at Naradha Gana Sabha Mini Hall, 314, T.T.K Road, Chennai – 600 018 to transact the following business:

Ordinary Business:

1. To consider and adopt the audited Balance Sheet as at 31st March 2008, the Profit and loss Account for the year ended on that date and the report of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in the place of Mr. Autar Krishna, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in the place of Mr. Amitava Mukherjee who retires by rotation and is eligible for re-appointment.
5. To appoint Auditors of the Company and fix their remuneration.

Special Business:

6. Increase in the Remuneration of Mr. Aditya Krishna, Managing Director:

To consider and if thought fit, to pass with or without modification the following resolution as an **ORDINARY RESOLUTION**.

“RESOLVED THAT subject to the provisions contained in Section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 including any statutory modification or re-enactment thereof, for the time being in force, consent/approval of the shareholders be and is hereby accorded for the revision in the remuneration of Mr. Aditya Krishna, Managing Director of the Company as set out in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, Mr. Aditya Krishna, shall be paid the same remuneration as stated hereinabove, as minimum remuneration subject to statutory approvals as may be required from time to time.

RESOLVED FURTHER THAT subject to the recommendation of the Remuneration Committee, the Board of Directors of the Company be and are hereby authorized to make such modifications, alterations, variations in the terms and conditions relating to the appointment of Mr. Aditya Krishna, Managing Director at their own discretion from time to time.”

7. Approval for excess remuneration paid to Mr. V Ramanathan, Chief Executive Officer:

To consider and if thought fit, to pass with or without modification the following resolution as a **SPECIAL RESOLUTION**.

RESOLVED THAT consent/approval of the members of the Company be and is hereby accorded for the payment of remuneration to Mr. V.Ramanathan, Chief Executive Officer as approved the members of the Company at the Annual General Meeting held on 11th July 2007 which is in

excess of the limits prescribed under Schedule XIII of the Companies Act, 1956 for the year 2007-08 owing to inadequacy of profits."

8. Appointment of Mr. Suresh Subramanian as Director

To consider and if thought fit, to pass with or without modification the following resolution as an **ORDINARY RESOLUTION**.

"RESOLVED THAT Mr. Suresh Subramanian who was appointed as an Additional Director of the Company under the provisions of Section 260 of the Companies Act, 1956 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 from a member, in writing, proposing his candidature for the office of Director be and is hereby appointed as a Director liable to retire by rotation."

9. Commission to Non- Executive Directors

To consider and if thought fit, to pass with or without modification the following resolution as a **SPECIAL RESOLUTION**.

"RESOLVED THAT pursuant to Section 309 and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act") and subject to all permissions, sanctions and approvals as may be necessary, approval of the Company be and is hereby accorded for the payment of commission of 1% of net profits of the Company, computed as per Section 349 and 350 of the Companies Act, 1956, to the non-executive Directors for a period of 5 years from the financial year commencing 1st April, 2008, in such manner and upto such extent as the Remuneration Committee of the Board may, from time to time, determine.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/or Remuneration Committee constituted by the Board be and are hereby authorized to take all actions and do all such deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

**BY ORDER OF THE BOARD OF DIRECTORS
FOR SAKSOFT LIMITED**

**CHENNAI
13th August, 2008**

**V SWAMINATHAN
COMPANY SECRETARY**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER. THE FORM OF PROXY IS ENCLOSED. THE INSTRUMENT APPOINTING PROXY SHOULD BE DEPOSITED AT THE OFFICE OF THE REGISTRAR AND SHARE TRANSFER AGENTS OF THE COMPANY VIZ. CAMEO CORPORATE SERVICES LIMITED, "SUBRAMANIAM BUILDING" NO.1, CLUB HOUSE ROAD, CHENNAI 600 002 AT LEAST 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.**
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 18th September 2008 to 25th September 2008 (both days inclusive).
3. The dividend as recommended by the Board, if approved at the meeting, will be payable to those members whose names appear in the Register of Members as on 25th September 2008. The dividend in respect of share held in the electronic form will be payable to the beneficial owners of the shares as on 25th September 2008 as per details furnished by the Depositories for this purpose.
4. Members holding shares in physical form are requested to immediately notify change in their address to the Company's Share Transfer Agents M/s. Cameo Corporate Services Limited, "Subramaniam Building" No.1, Club House Road, Chennai 600 002 and those who wish to receive dividend in electronic mode are requested to forward a specimen cheque leaf duly marked as such to Registrars at the above address.
5. Members holding Shares in electronic form may please note that, as per the applicable regulations of the Depositories, the bank details as furnished by the respective depositories to the company will be printed on the dividend warrants issued from time to time. The company/ the Registrar will not entertain any direct request from members for deletion of or change in such bank details. It may please be noted that, dividend instructions, if any, already given by members in respect of shares in physical form will not be automatically applicable to the dividend payable on shares in electronic form. **Members may, therefore, give instructions directly to their Depository Participants regarding bank accounts for crediting the dividend.**
6. Members/proxies are requested to bring their attendance slips duly filled in and their copy of the Annual Report for the Meeting.
7. Members who hold shares in the dematerialized form are requested to bring their Client_ID and DP_ID to the meeting for easier identification.
8. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
9. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays between 11.00 AM and 01.00 PM upto the date of the meeting.
10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Company's

Registrars and Transfer Agents, M/s Cameo Corporate Services Limited for consolidation into a single folio.

11. In terms of clause 49 of the Listing Agreement with Stock Exchanges, a brief resume of the directors who are proposed to be re-appointed at this meeting is given below.

a) Mr. Autar Krishna

DIN No: 00031386

Mr. Autar Krishna is the founder promoter of Saksoft Ltd. He has completed his B.Sc from St. Stephens College, New Delhi and G.M.Mech (E) in London. He has over 37 years experience in the Steel and Engineering industry. He promoted The Sak Industries Ltd (TSIL) in 1962. Mr.Autar Krishna and TSIL promoted Widia (India) Limited, a joint venture with Meturit A.G. Switzerland, a subsidiary of Friedrich Krupp GmbH, and was the Chairman of the Company from 1986 to 2002. He is the Chairman of Banarsidas Chandiwalla Sewa Smarak Trust Society. He is also the Chairman of the Audit Committee of India Glycols Limited. He also serves as Director of Sak Abrasives Limited, Sak Consumer Retail Services Limited and Sak Technologies Limited.

Mr. Autar Krishna holds 200,120 Equity Shares of Saksoft Limited. Mr. Autar Krishna is related to Mr. Aditya Krishna, Managing Director of the Company.

(b) Mr. Amitava Mukherjee

DIN No: 00003285

Mr. Amitava Mukherjee is a postgraduate in Business Economics from Delhi University and an MBA from the Asian Institute of Management, Manila. He had been with Lazard India Ltd as the Managing Director of the firm. During his tenure with Lazard's, he advised several multinational companies on their entry strategies into India as well as advised them on mergers & acquisitions. He has rich and varied experience in investment banking having been involved with several transactions on behalf of large Indian Corporate houses and multinationals. He is presently on the Board of Ambit Corporate Finance Pte. Ltd. He is an Independent Director of our Company and also a member of Audit committee, Shareholders/ Investors Grievances Committee and Remuneration Committee.

Mr. Amitava Mukherjee does not hold any shares in the Company and is not related to any Director of the Company.

(c) Mr. Aditya Krishna

DIN: 00031345

Mr. Aditya Krishna is the founder promoter of Saksoft Ltd and at present its Managing Director. He did his M.A. (Economics) from St. Stephens College, New Delhi and MBA (Finance & Marketing) from Northeastern University, Boston, USA. He worked with Chase Manhattan Bank N.A, New York, USA from 1985 to 1987 responsible for cash management products including pricing decisions, institutional sales and sales to large corporate customers. He was with Citibank N.A, New York, USA from 1987 to 1990 as a member of the business analysis department of the Credit Card Business and specifically handled the Insurance Products area. From 1990 to 1995 he was the Vice President – Credit Director & Financial Controller, Citibank N.A, India responsible for managing Citibank India's credit card portfolio. He was the founder promoter of Nation Wide Finance Ltd (now known as CitiFinancial Consumer Finance

India Limited) and was the Managing Director of the company from 1995 to 2001. He is also an independent Director in the Board of ING Vysya Bank Limited and holds directorship in Sak Abrasives Limited and Sak Technologies Limited.

Mr. Aditya Krishna is related to Mr. Autar Krishna, Director of the Company. Mr. Aditya Krishna holds 3,600,020 equity shares in the company.

(d) Mr. Suresh Subramanian

DIN: 02070440

Mr. Suresh Subramanian, leads the global operations of Quattro's Finance & Accounting vertical. He is a Fellow Chartered Accountant (FCA) of the Institute of Chartered Accountants of India by qualification and in his career spanning over 25 years, has extensive experience in accounting and auditing

Prior to joining Quattro, Mr. Suresh Subramanian was a Partner of the KPMG India member firm and Head of the Audit Practice. The Audit Practice had more than 700 professionals with about 20 partners / directors and Suresh held overall responsibility for its growth, strategy and direction including monitoring of technical and quality standards. He also led audit and advisory engagements on several national / multinational companies including one of India's leading software and business process outsourcing companies.

Prior to joining KPMG, Mr. Suresh Subramanian was a Partner of the Ernst & Young India member firm. At E&Y, Mr. Suresh Subramanian was a member of the National Audit Executive Team involved in determining future strategy and direction of the audit practice and also led their South India operations covering audit and advisory engagements of several national / multinational companies including key aspects of monitoring technical and quality standards.

Mr. Suresh Subramanian was also associated with leading organizations such as Arthur Andersen where he was the head of the South India assurance practice and leader of the National US GAAP practice and A F Ferguson & Co where he was the head of the Pune operations and led audit and advisory engagements of several leading national / multinational companies.

Mr. Suresh Subramanian has also contributed articles and made several presentations on accounting, audit and regulatory requirements at seminars organized by professional and business associations.

Mr. Suresh Subramanian does not hold any shares in Company and is not related to any Director of the company

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**Item No.6****Increase in Remuneration of Mr. Aditya Krishna, Managing Director**

Mr. Aditya Krishna is the founder promoter of Saksoft Ltd and at present its Managing Director. He did his M.A. (Economics) from St. Stephens College, New Delhi and MBA (Finance & Marketing) from Northeastern University, Boston, USA. He worked with Chase Manhattan Bank N.A, New York, USA from 1985 to 1987 responsible for cash management products including pricing decisions, institutional sales and sales to large corporate customers. He was with Citibank N.A, New York, USA from 1987 to 1990 as a member of the business analysis department of the Credit Card Business and specifically handled the Insurance Products area. From 1990 to 1995 he was the Vice President – Credit Director & Financial Controller, Citibank N.A, India responsible for managing Citibank India's credit card portfolio. He was the founder promoter of Nation Wide Finance Ltd (now known as CitiFinancial Consumer Finance India Limited) and was the Managing Director of the company from 1995 to 2001.

His remuneration was last revised in the year 2004. The Board considers it desirable to continue to derive the benefits out of his experience, having regard to his professional qualifications and experience. In line with the software industry practice, the Board has approved the payment of the revised remuneration, as detailed below, with effect from 1st April 2008, subject to the approval of the Shareholders in this Annual General Meeting.

Details of Remuneration:

The Basic salary of Rs.5,00,000/- per month.

Perquisites and allowances:

In addition to salary, the Managing Director shall be entitled to the following perquisites/benefits, which shall be evaluated as per the Income Tax Rules wherever applicable. In the absence of any such rule, perquisite shall be evaluated at actual cost.

Perquisites include the following:

- (a) Rent free residential accommodation or HRA in lieu thereof.
- (b) Actual Medical expenses incurred for self and family towards domiciliary and hospitalization expenses.
- (c) Contribution to PF as per the rules of the Company.
- (d) Club-Fees for two-clubs excluding admission and life membership fees.
- (e) Leave Travel Concession once in a year for self and family to any place in India by Air/Rail/Road.
- (f) Company maintained car with driver.
- (g) Telephone facility at residence.

Minimum remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the Director's tenure, the company has no profits or the profits are inadequate, the

company shall pay the aforesaid remuneration as minimum remuneration subject to all statutory approvals as may be required.

Sitting Fees:

He shall not be paid any sitting fees for attending the meeting of the Board of Directors or any committee thereof from the date of his appointment.

This may be construed as an "Abstract of the terms of appointment and Memorandum of Interest" pursuant to Section 302 of the Companies Act, 1956.

None of the Directors of the Company, other than Mr. Aditya Krishna is concerned or interested in the said resolution and the Board commends the resolution for approval.

Item No.7

Approval for excess remuneration paid to Mr. V Ramanathan, Chief Executive Officer

Mr. V.Ramanathan joined Saksoft in 2000 and was appointed as an Executive Director of the Company in 2001. He is in charge of Operations and Technology in Saksoft and has built a team of business analysts, project managers and software professionals comprising nearly 300 people in the last 5 years. He has guided the Company to achieve an excellent reputation for Software Development and testing services with its customers. In view of his excellent performance he has been promoted as Chief Executive Officer of the Company.

His remuneration was last revised in 2007 and was approved by the members at the 8th Annual General Meeting. For the year 2007-08, the remuneration fixed by the members has exceeded the limits specified in Schedule XIII of the Companies Act, 1956 due to inadequacy of profits. The Board considers it desirable to continue to derive the benefits out of his experience having regard to his professional qualifications and experience. In the light of the above, the Board, on the recommendation of the Remuneration Committee, has approved the payment of the excess remuneration amounting to Rs.19,12,598/- to Mr. V Ramanathan for the year 2007-08.

Statement pursuant to Schedule XIII of the Companies Act, 1956

(I) GENERAL INFORMATION:

(1) Nature of Industry:

The Company falls under the Information Technology Industry.

(2) Date of commencement of commercial production

Not Applicable

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

Not Applicable