



PRITHVI INFORMATION SOLUTIONS LIMITED

Registered Office: 10Q3, A1, Cyber Towers, HITEC City, Madhapur, Hyderabad-500 081

11th Annual General Meeting 2008-09

NOTICE

Notice is hereby given that the 11th Annual General Meeting of the Company will be held on Thursday, **the 31st December, 2009 at 10.30 a.m. at Suranna Udyog Auditorium, Federation House, The Federation of Andhra Pradesh Chamber of Commerce and Industry, Red Hills, Lakdikapul, Hyderabad - 500 004, Andhra Pradesh**, to transact the following business:

Ordinary Business

1. Adoption of Audited Profit and Loss Account for the year ended 31st March, 2009 and the Balance Sheet as at 31st March, 2009. (The Audited Accounts relating to the financial year 2008-09 could not be completed and as such their adoption is deferred. It is proposed to get them adopted in the adjourned Annual General Meeting).
2. To consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Omkar Srinivas Bhongir, who retires by rotation at this meeting has expressed his inability to continue further.”

RESOLVED FURTHER THAT Mr. Chuk Chakravarty has consented to act as a Director of the Company be and is hereby appointed as Director in place of Mr. Omkar Srinivas Bhongir and shall be subject to retirement by rotation.
3. To appoint a Director in place of Mr. S. Lalith Prasad, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint statutory auditors and to authorize the Board to fix their remuneration for the Financial year 2009-10.

Special Business

5. Appointment of Mr. Prithipal Singh

To consider and if thought fit, to pass the following resolution, with or without modification, as an Ordinary Resolution:

“RESOLVED that due notice in writing having been received from a member under Section 257 of the Companies Act, 1956 of his intension to propose Mr. Prithipal Singh for appointment as a director and Mr. Prithipal Singh be and is hereby appointed as a Director of the Company.”

6. Increase of Authorised Capital

To consider and if thought fit, to pass the following resolution, with or without modification, as a Special Resolution:

“RESOLVED THAT pursuant to Section 16, 31, and 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorised Capital of the Company be and is hereby increased from Rs.30 Crores (Rupees Thirty Crores Only) divided into 3,00,00,000 (Three Crores) equity shares of Rs.10/- each to Rs.50 Crores (Rupees Fifty Crores only) divided into 5,00,00,000 (Five Crore Only) equity shares of Rs.10/- each, ranking *pari passu* with the existing equity shares.

RESOLVED FURTHER THAT Clause V of the Memorandum of Association of the Company be and is hereby altered to read as follows:

V. “The Authorised Share Capital of the Company is Rs.50,00,00,000 (Rupees Fifty Crores Only) divided into 5,00,00,000 (Five Crore only) equity shares of Rs.10/- each. The Company has the power from time to increase or reduce its capital in accordance with the provisions of the Companies Act, 1956.”

RESOLVED FURTHER THAT Clause 4 of the Articles of Association of the Company be and is hereby altered to read as follows:

4. The Authorised share capital of the company is Rs.50,00,00,000/- (Rupees Fifty Crores only) divided into 5,00,00,000 (Five Crore only) equity shares of Rs.10/- each (Rupees Ten only) with power to divide the shares of capital

(original, increased, reduced or converted) into several classes and to attach thereto respectively such qualified or special rights, privileges or conditions in such manner as may from the time being be provided by the regulations of the Company as originally framed or as altered by special resolution.

7. To raise long term resources

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

RESOLVED THAT in accordance with the provisions of Section 81 and other applicable provisions, if any, of the Companies Act, 1956, in terms of the provisions of SEBI Act, FEMA and Rules and Regulations made thereunder, and any other laws for the time being in force, and subject to such consents and approvals as may be necessary, and subject to such conditions and modifications as may be considered necessary by the Board of Directors (hereinafter referred to as "Board", which term shall be deemed to include any Committee of the Board of Directors constituted for this purpose, to exercise the powers conferred on the Board by this resolution) or as may be prescribed or made, in granting such consents and approvals agreed to by the Board, the consent of the Company be and is hereby accorded to offer, issue and allot in one or more tranches, either in the course of international offerings or otherwise, to Foreign Institutions, foreign investors/collaborators, non-resident Indians, corporate bodies, mutual funds, banks, insurance companies, pension funds or others wherever located, whether shareholders of the Company or not, through a Rights/Public Issue and/or on a private placement basis, equity shares and/or equity shares in the form of Global Depository Receipts (GDRs), and/or securities convertible into equity shares and/or securities linked to equity shares and/or securities with or without detachable share warrants.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board/its Committee be and is hereby authorized to determine the form and terms of the issue(s), including the class of investors to whom the Securities are to be allotted, number of securities to be allotted in each tranche, issue price, face value, premium amount on issue/conversion of Securities/exercise of warrants/redemption of Securities, rate of interest, redemption period, listing on one or more stock exchanges in India and/or abroad, including, without limitation, marketing,

custodian, depository arrangements etc., as the Board/its Committee in its absolute discretion deems fit, and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues in India and/or abroad and to settle any questions or difficulties that may arise in regard to the issue(s).

RESOLVED FURTHER THAT the Board/its Committee be and is hereby authorized to issue and allot such number of additional equity shares as may be required in pursuance of the above issue of securities and that the additional equity shares so allotted shall rank in all respects, including right/entitlement to dividend, pari passu with the existing equity shares of the company.

RESOLVED FURTHER THAT the Board/its Committee be and is hereby authorized to do all such acts, deeds, matters, things and changes as it may deem necessary/desirable for such purpose including, if necessary, creation of mortgages and/or charges in respect of securities on the whole or in part of the undertaking of the Company and to exercise such documents or writing as may be considered necessary and proper and incidental to this resolution.

8. Payment of Remuneration to Non-Executive Directors:

To consider, and if deemed fit, to pass the following resolution, with or without modification(s), as a SPECIAL RESOLUTION:

"RESOLVED that pursuant to Section 309 (4) and other applicable provisions, if any, of the Companies Act, 1956, subject to the consent of the shareholders in a General Meeting that the remuneration paid to the Non-Executive Directors by way of commission shall not exceed 1 percent (1%) of the net profits of the Company per annum apart from the sitting fee and reimbursement of out of pocket expenses for attending such meetings effective from 01.04.2010.

"RESOLVED further that the maximum amount of such remuneration which may be required to be paid in full or in parts as may be decided by the Board of the Directors of the Company".

9. Re-appointment of Mr. Satish Kumar Vuppalapati as Managing Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 198, 269, 309 and 317 read with Schedule

XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, approval of the Company be and is hereby accorded to the re-appointment of Shri Satish Kumar Vuppalapati as a Managing Director, for a period of 6 months effective from 1st April, 2010 on the same terms and conditions of the present employment as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and / or remuneration, subject to the amount not exceeding the limits specified under

Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By Order of the Board
For **Prithvi Information Solutions Limited**

MALLESWARA DURGA PRASAD
Vice President – (Fin) & Company Secretary

Registered Office:
10Q3, A1, Cyber Towers, HITEC City
Madhapur, Hyderabad – 500 081
December 7, 2009

Notes

1. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the business under Item Nos 2, 5 to 8 above, are annexed hereto.
2. 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 at the company's registered office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. Must be supported by appropriate resolution/ authority, As applicable, issued on behalf of the nominating organization.
3. Members should bring the Admission Slip duly filled in an hand over the same at the entrance of the Meeting Hall.
4. The Register of Members and Transfer Books of the Company will be closed from 24th December, 2009 to 31st December, 2009 (both days inclusive).
5. Shareholders holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agents, Karvy Computershare Private Limited, Unit: Prithvi Information Solutions Limited, Plot Nos. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081 quoting their Folio Number/ Client ID.
7. Shareholders holding shares in electronic form must send the advice about change in address to their respective Depository Participants and not to the Company.
8. Brief notes on the background and the functional expertise of the Directors proposed for appointment / re-appointment are furnished below, along with details of companies in which they are Directors and the Board Committees of which they are members:
 - i) Mr. Chuk Chakravarty, Masters in Economics, California State University, aged 43 years. He has over 25 years of rich and diverse experiences in the areas of Strategic business development via partnerships and joint ventures, Acquisition and divestiture negotiations, Financing for new businesses via debt and equity securities, Corporate Strategy; business modeling and valuations, Private equity "buy & sell side" negotiations, Public offerings and registration support, Balance sheet restructuring and structured financing, Strong capital markets background including domestic and international contacts, Investing experience in IT, BPO, Media & Telecom, Broadband, Software, RF Spectrum and DTH, Additionally, large commercial real estate investments, property management, construction financing.

Details of other Directorships / Committee Memberships held by him: Nil
 - ii) Mr. S Lalith Prasad, B.Com., LLB., FCA., aged 52 years, has been a practicing Chartered Accountant. Before entering into practice, he worked M/s King & Patridge, Solicitors for four years as an Advocate. He has over 23 years of

experience in the field of project finance, taxation and legal matters. He is a Statutory and Internal Auditor for several companies. He is also the Chairman of Audit Committee and Share Transfer/ Investors Grievances Committee of the Company.

Details of other Directorships / Committee Memberships held by him: Nil

- iii) Mr. Prithipal has been graduated in Electrical Engineering from Punjab Engineering

College, aged 66 years. He is the former Chairman and Managing Director of BSNL, the third largest telecom operator in Asia and the seventh largest in the world. Prithipal led a team of over 350,000 employees, with an annual budget in excess of \$6 billion and a customer base of around 40 million subscribers. Under his leadership, BSNL doubled the size of its network, established a highly successful portfolio of consumer brands and was awarded the title of "Best Telecoms Operator" in the 2003 Voice and Data awards. He himself was nominated for the Padmashree Award 2003 and became the first Government employee to be nominated for the Ernst and Young Entrepreneur of the Year Award, again in 2003.

He currently sits on several Boards and Committees, including:

- The Investment Advisory Board of Punjab Venture Capital Limited
 - The Advisory Board of Punjab Information & Communication Technology Corporation Limited
 - The Academic Advisory Board of Punjab Engineering College
 - The Academic Advisory Board of AMITY Institute of Telecom Technology and Management.
- iv) Mr. Satish Kumar Vuppalapati, aged 34 years is the co-founder of Prithvi and heads the Indian operations and the executive management of the Company. He is responsible for developing client relations in the Indian sub-continent and Asia Pacific region. He is B.E. from Osmania University, Hyderabad.

Mr. Satish Kumar brings to the Company an exemplary enthusiasm and management capabilities, in addition to jointly shaping the Company's growth strategies.

None of the aforesaid Directors is related to each other or to any other Director of the Board of the Company or related to Promoters of the Company.

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956

Item No. 2

Mr. Omkar Srinivas Bhongir, a Director of the Company, due to retire by rotation at the forthcoming Annual General Meeting. He has, however, by notice in writing addressed to the Company, conveyed his inability to offer himself for re-appointment as a Director.

The Company has received notice under Section 257(1) of the Companies Act, 1956, in writing from a member proposing the candidature of Mr. Chuk Chakravarty for the office of Director liable to retire by rotation in place of Mr. Omkar Srinivas Bhongir along with deposit of Rs.500/- as required under Section 257 of the Companies Act, 1956, which will be refunded to the Member if Mr. Chuk Chakravarty is elected as a Director.

Mr. Chuk Chakravarty, Masters in Economics, California State University, aged 43 years. He has over 25 years of rich and diverse experiences in the areas of Strategic business

development via partnerships and joint ventures, Acquisition and divestiture negotiations, Financing for new businesses via debt and equity securities, Corporate Strategy; business modeling and valuations, Private equity "buy & sell side" negotiations, Public offerings and registration support, Balance sheet restructuring and structured financing, Strong capital markets background including domestic and international contacts, Investing experience in IT, BPO, Media & Telecom, Broadband, Software, RF Spectrum and DTH, Additionally, large commercial real estate investments, property management, construction financing.

The Board of Directors recommends the Resolution for your approval. None of the Directors except Mr. Chuk Chakravarty is interested in the above Resolution.

Item No. 5

Mr. Prithipal Singh has been graduated in Electrical Engineering from Punjab Engineering College, aged 66 years. He is the former Chairman and Managing Director of BSNL, the third largest telecoms operator in Asia and the seventh largest in the world. Prithipal led a team of over 350,000 employees, with an annual budget in excess

of \$6 billion and a customer base of around 40 million subscribers. Under his leadership, BSNL doubled the size of its network, established a highly successful portfolio of consumer brands and was awarded the title of "Best Telecoms Operator" in the 2003 Voice and Data awards. He himself was nominated for the Padmashree Award 2003 and became the first Government employee to be nominated for the Ernst and Young Entrepreneur of the Year Award, again in 2003.

The Company has received notice under Section 257(1) of the Companies Act, 1956, in writing from a member proposing the candidature of Mr. Prithipal Singh for the office of Director liable to retire by rotation along with deposit of Rs.500/- as required under Section 257 of the Companies Act, 1956, which will be refunded to the Member if Mr. Prithipal Singh is elected as a Director.

The Board of Directors recommends the Resolution for your approval. None of the Directors except Mr. Prithipal Singh is interested in the above Resolution.

Item No. 6

The present Authorized Capital of the Company is Rs.30 Crores consisting of 3,00,00,000 crores shares of Rs.10/- each. It is proposed to increase the Authorised Capital of the Company to Rs.50.00 Crores of 5,00,00,000 Equity Shares of Rs.10/- each. Increase in Authorized Capital requires alteration of Memorandum of Association and Articles of Association with the approval of the shareholders.

This enabling proposal is to facilitate the raising of long term resources by the Company and is in the interests of the Company.

None of the Directors of the Company may be deemed to be interested in this resolution.

Your directors recommend the resolution for approval.

Item No. 7

- a. Long Term resources are required to meet the capital expenditure to be incurred for capacity expansion and for upgrading product range, including expenditure on Research and Development, replacement programmes and for investments required to be made in the next few years. In addition, the Company is also pursuing various inorganic growth opportunities through acquisitions (in India and overseas) as part of globalization initiatives requiring additional resources.
- b. While part of the funding requirement is contributed by internal accruals and loans, it is proposed to raise upto Rs. 250 crores (denominated in any currency) through issue of appropriate equity/equity linked

securities, in one or more tranches and at such time as may be considered appropriate by the Board, to various categories of investors including International offerings as set out in the Special Resolution.

- c. To the extent that any part of the above mentioned funding plan includes issue of securities linked to or convertible into Equity Shares of the Company, members; approval is being sought. Section 81 and other applicable provisions of the Companies Act provides, that whenever it is proposed to increase the Issued/Subscribed Capital of a Company by allotment of further shares, such further shares shall be offered to the persons who, on the date of the offer, are holders of the equity shares of the Company in proportion to the capital paid up on that date, unless the shareholders in a General Meeting decide otherwise. The listing agreements executed by the Company with the various Stock Exchanges also provide that the Company shall, in the first instance, offer all securities for subscription pro-rata to the existing equity shareholders unless the shareholders in a General Meeting decide otherwise. Hence, shareholders' consent is sought pursuant to Section 81 and other applicable provisions of the Companies Act, 1956 and in terms of the listing agreement with Stock Exchanges to the issue of the above securities to other than shareholders.

While no specific instrument has been identified at this stage, in the event the Company issues any equity linked instruments, the equity shares on issue, conversion of securities into equity shares or exercise of warrants and consequent issue of equity shares, shall all rank, in all respects including the right/entitlement to dividend, pari passu with the existing equity shares of the Company.

- d. As per current guidelines of GOI, foreign currency denominated bonds can be subscribed by Non-Residents only. However, Indian Shareholders (including Mutual Funds, Banks/Insurance Companies Resident in India) cannot participate in the Bond issue; hence if a foreign currency denominated Bond issue is made, it could dilute their shareholding if Bonds get converted. If issue is offered to Foreign Investors, the Company will not be able to determine at this stage, the revised shareholding pattern after the completion of allotment of the proposed securities.
- e. The said Securities (till they remain as Loan/Bond) may be secured by way of first mortgage hypothecation of the Company's fixed assets in favour of the security holders. As the documents to be

executed between the security holders and the Company may contain, as per normal practice, the power to repossess and dispose the assets of the Company in certain events of default, it is necessary for the Company to obtain shareholders' approval through a resolution under Section 293 (1)(a) of the Companies Act, 1956 before creation of the said mortgage or charge, if so required.

The proposed issue is in the interests of the Company and your Directors recommend the resolution for approval.

Directors may be deemed to be interested in this resolution to the extent of entitlement, if any, to subscription of equity linked offerings.

Item No. 8 Payment of Remuneration to Non-Executive Directors :

The Members at their Extra Ordinary General Meeting held on 29th September, 2006 has passed necessary resolution for payment of remuneration to Non-Executive Directors. In supersession of this resolution, the remuneration payable to the Non-Executive Directors by way of commission shall not exceed 1 percent (1%) pursuant to Section 309 (4) and other applicable provisions of the Companies Act 1956. This would be apart from the sitting fees and reimbursement of out of pocket expenses for attending such meetings with effect from 01.04.2010. To give effect to this stipulation, the resolution has been put up for Members consent.

The Board of Directors recommends the Resolution for your approval. None of the Directors except those Non-Executive Directors may be deemed to be interested in this resolution to the extent of commission payable to them.

Item No. 9

The Board of Directors of the Company (the 'Board'), at its meeting held on 7th December, 2009 has, subject to the approval of Members, re-appointed Shri V. Satish Kumar as Managing Director for a period of 6 months from the expiry of his present term which will expire on March 31st, 2010, on the same terms and conditions of the present employment:

- a) Salary : Rs.5,00,000 per month
- b) Commission : @ 1% on net profits of the Company
- c) Contribution to PF / Superannuation – as per the rules of the Company – not exceeding 25% of salary is eligible for this purpose.

d) Perquisites:

- a. House Rent Allowance.
- b. Gas, Electricity, Water – at actuals
- c. Medical expenses – at actuals – for self and family
- d. Leave Travel Assistance – once in a year – for self and family on actual basis
- e. Entertainment Expenses – actually and properly incurred in the course of legitimate business of the Company
- f. Personal Accident Policy – of an amount / annual premium as permissible under the provisions of the Companies Act
- g. Earned / Privilege Leave – on full pay and allowances, as per rules of the Company, but not exceeding one month's leave for every 11 months of services. However, leaves can be encashed at the end of tenure which will not be included in calculation of overall limits.
- h. Clubs – membership of two clubs. However, admission fee, and / or life subscription not to be borne by the Company.
- i. The total amount of perquisites shall not exceed an amount equal to the basic salary in a year.

Other terms

In case of inadequacy of profits, Mr. V. Satish Kumar, Managing Director be paid the above mentioned salary and perquisites as the minimum remuneration."

The Board of Directors recommends the Resolution for your approval. None of the Directors except Mr. Satish Kumar Vuppalapati is interested in the above Resolution.

Your directors recommend the resolution for approval.

By Order of the Board
For **Prithvi Information Solutions Limited**

MALLESWARA DURGA PRASAD
Vice President – (Fin) & Company Secretary

Registered Office:
10Q3, A1, Cyber Towers, HITEC City
Madhapur, Hyderabad – 500 081
December 7, 2009



PRITHVI INFORMATION SOLUTIONS LIMITED

Registered Office: 10Q3, A1, Cyber Towers, HITEC City, Madhapur, Hyderabad-500 081

ATTENDANCE SLIP

Regd. Folio No./Client ID :

Name & Address of First/Sole Shareholder :

No. of Shares held :

I hereby record my presence at the 11th Annual General Meeting of the Company on Thursday, the 31st December, 2009 at 10.30 A.M at Surana Udyog Auditorium, Federation House, Federation of Andhra Pradesh Chamber of Commerce & Industry, Red Hills, Lakdikapool, Hyderabad - 500 004 Andhra Pradesh.

Signature of Member/Proxy

Note: A Member/Proxy who wish to attend the meeting shall bring this Attendance Slip to the meeting and handover at the entrance duly signed.



PRITHVI INFORMATION SOLUTIONS LIMITED

Registered Office: 10Q3, A1, Cyber Towers, HITEC City, Madhapur, Hyderabad-500 081

PROXY FORM

Regd. Folio No./Client ID:

No. of Shares Held:

I/We.....of.....being a member/members of the above named Company, hereby appoint..... Of.....or failing him/her..... ofas my/our Proxy to attend and vote for me/us on my/our behalf at the 11th Annual General Meeting of the Company on Thursday, the 31st December, 2009 at 10.30 A.M at Surana Udyog Auditorium, Federation House, Federation of Andhra Pradesh Chamber of Commerce & Industry, Red Hills, Lakdikapool, Hyderabad - 500 004, Andhra Pradesh and at any adjournment thereof.

Signed _____ day of _____ 2009.

Affix 15
paise
Revenue
Stamp

- a) A Proxy need not be a member of the company.
- b) The Proxy form duly signed by the member(s) across Revenue Stamp should reach the Company's Registered Office at 10Q3, A1, Cyber Towers, HITEC City, Madhapur, Hyderabad-500 081 at least 48 hours before the time fixed for the meeting.
- c) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- d) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the Meeting.

**BOOK - POST
PRINTED MATTER**

If undelivered, please return to:



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Cyber Towers, HITEC City,
Madhapur, Hyderabad-500 081