

RS SOFTWARE (INDIA) LIMITED

Notice is hereby given that an Extra Ordinary General Meeting of the Shareholders of the Company will be held on Tuesday, 13th January 2009 at 11 a.m. at Aikatan Cultural Center, Eastern Zonal Cultural Center, IA-190, Sector III, Salt Lake City (Opposite Columbia Asia Hospital), Kolkata-700 097 to consider and pass with or without modifications the following resolution:

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

“RESOLVED THAT pursuant to Section 81(1A) and other applicable provisions, if any, of the Companies act, 1956, relevant guidelines of the Securities Exchange Board of India, listing agreement entered into with the stock exchanges and any other applicable laws/rules/regulations and subject to the consent/approval of any other authorities/institutions, consent of the company be and is hereby accorded to the Board of Directors to create, offer and allot up to 1000000 Equity warrants on a preferential basis to the Promoters/ Promoter Group(s) (hereinafter referred to as “Warrants”) with each warrant convertible into equity share of the company of nominal value of Rs.10/- each at a price of Rs. 19.50 which includes a premium of Rs. 9.50 per share calculated in accordance with SEBI guidelines for preferential allotment of equity shares/warrants and on such terms and conditions as may be decided and deemed appropriate by the Board of Directors of the Company (hereinafter referred to as the “Board” which shall be deemed to include any duly authorized committee thereof) at the time of issue allotment”

“RESOLVED FURTHER THAT the ‘relevant date’ in relation to the issue of warrants in accordance with the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 would be, 13th December 2008, being the date 30 days prior to the date of passing of this resolution”.

“RESOLVED FURTHER THAT the issue of warrants, if any, as above, shall be subject to the following terms and conditions:

1. The Warrants shall be convertible (at the option of the warrant holders) at any time within a period of 18 months from the date of allotment of warrants.
2. Each warrant shall be convertible into one equity share of nominal value of Rs. 10/- each at a price of Rs.19.50, which includes a premium of Rs. 9.50 per share, calculated in accordance with SEBI guidelines for preferential allotment of shares.
3. The Warrant holder(s) shall, on the date of allotment of warrants, pay an amount equivalent to 10% of the total consideration per warrant.
4. The conversion of warrants into equity shares shall be made in three tranches within a period of 18 months from the date of allotment of warrants.

5. The amount referred in (3) above shall be forfeited, if the option to acquire shares is not exercised within a period of 18 months from the date of allotment of warrants.

6. The number of warrants and the price per warrant shall be appropriately adjusted, subject to the Companies Act, 1956 and SEBI guidelines, for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a division or any such capital or corporate restructuring.

7. The lock in of shares acquired by exercise of warrants shall be for a period of three years reduced to the extent of holding period of the Warrants

Registered Office
234/3A, A.J.C. Bose Road
Kolkata – 700 02
November 14, 2008

By order of the Board
for R S Software (India) Ltd.
Vijendra Surana
CFO & Company Secretary

NOTES

1. A member entitled to attend and vote at this meeting is entitled to appoint a Proxy to attend and vote instead of himself. A Proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the registered office of the Company not less than 48 hours before the meeting.
2. Members / Proxy holder must bring the Attendance Slip to the Meeting and hand it over at the entrance duly signed.
3. Conveyance facility would be available from our Corporate Office on the date of the AGM for reaching the venue and back. Those interested in availing the same may kindly register their names and folio nos. to the desk of the Corporate Office at least 72 hours prior to the Meeting.

Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 and forming part of the Notice convening the Extra-Ordinary General meeting of the Company.

As per Section 81 (1A) of the Companies Act, 1956, approval of shareholders in the General Meeting is required for allotment of warrants on preferential basis and hence the resolution is placed before the shareholders.

The Directors recommended the resolution for your approval.

Mr. Rajnit Rai Jain, Chairman & Managing Director may be deemed to be concerned or interested in the resolution.

The required disclosure as per 13.1A of SEBI (Disclosure and Investor Protection) Guidelines, 2000 as amended from time to time, are furnished as under:

1) Objects of the Issue through Preferential Offer

The Objects of the issue of equity shares on preferential basis is to augment the capital base of the Company and also to meet the financial requirements for the projects being undertaken by the Company.

2) Intention of promoters/directors/key management persons to subscribe to the offer:

The person who intends to subscribe to the warrants proposed to be issued:

Sl. No.	Name of the Proposed Allottee	No. of Warrants to be subscribed
1	Rajnit Rai Jain	1000000
	TOTAL	1000000

3) Shareholding pattern before and after the offer:

The shareholding pattern before and after completion of the proposed preferential issue would be as under:

Sl. No.	Category	Shareholding Pattern			
		Pre-Issue		Post-Issue	
		No. of Shares	% of Capital	No. of Shares	% of Capital
A	Promoters holding				
1	Indian Promoters	1463965	19.66	2463965	29.18
	Foreign Promoters	-	-	-	-
2	Persons Acting in Concert	-	-	-	-

	Sub-Total	1463965	19.66	2463965	29.18
B	Non Promoter Holding				
1	Institutional investors				
	Mutual funds	12000	0.16	12000	0.14
	Banks, FIs, Insurance Companies	3200	0.04	3200	0.03
	NRIs/OCBs	91569	1.23	91569	1.08
	FIIIs	1800	0.02	1800	0.02
	Sub-Total	108569	1.45	108569	1.27
2	Others				
	Private Corporation Bodies	845046	11.35	845046	10.01
	Indian Public	4810956	64.64	4810956	56.98
	Clearing Members	216112	2.90	216112	2.56
	Sub-Total	5872114	78.89	5872114	69.55
	Grand Total	7444648	100.00	8444648	100.00

Note: -

- 1) The above shareholding pattern has been prepared on the basis of shareholdings as on September 30, 2008.
- 2) The post-issue shareholding pattern has been arrived on the assumption that the entire 1000000 warrants proposed to be issued to Promoter would be converted into equity shares.

4) Proposed time within which the allotment shall be completed

The allotment of shares on preferential basis shall be completed within a period of 15 days from the date of shareholders approval provided that where the allotment on preferential basis is pending on account of pendency of any approval by any statutory authority as per SEBI Guidelines, the allotment shall be completed within 15 days from the date of such approval.

5) The identity of the proposed allottee and the percentage of post preferential issue capital that may be held by him:

The percentage of the post-preferential issue capital held by the proposed allottee assuming full conversion of warrants into fully paid equity shares is as under:

Sl.No.	Name of Proposed Allottee	No. of warrants to be allotted	% in the post-issue capital (including pre-issue holding)
1	Rajnit Rai Jain	1000000	27.45
	TOTAL	1000000	27.45

The proposed allottee has not sold any shares during the 6 months period prior to the relevant date.

6) The aforementioned allotment shall be subject to lock-in provisions contained in clause 13.3.1 of SEBI (DIP) Guidelines, for the time being in force.

7) Change in the Control or Composition of the Board

There will neither be any change in the composition of the Board nor any change in the Control of the Company on account of the proposed preferential allotment. However, there will be corresponding changes in the shareholding pattern as well as voting rights consequent to preferential allotment.

8) No. of warrants and Issue price

It is proposed to issue, offer and allot upto 1000000 Equity warrants on preferential basis to the Promoter with each warrant convertible into one equity share of the Company of nominal value Rs. 10/- at a price of Rs. 19.50 which includes a premium of Rs.9.50 per share, which is in accordance with the SEBI (DIP) Guidelines, 2000 and for the purpose of the above guidelines the relevant date is 13th December 2008. The subscriber(s) to warrant shall, on the date of allotment, pay an amount equivalent to 10% of the total consideration per warrant and pay the balance 90% of the consideration towards the subscription to each equity share on the date of conversion. The conversion of warrants into equity shares shall be made in three tranches within a period of 18 months from the date of allotment of warrants

9) The party to the proposed allotment is the Promoter and Chairman & Managing Director of the Company..

10) Auditors Certificate

M/s. Chaturvedi & Co., Statutory Auditors of the Company have certified that the preferential issue is being made in accordance with the requirements contained in SEBI guidelines for preferential issues. A copy of the certificate is being placed before the shareholders.

**Registered Office
234/3A, A.J.C. Bose Road,
Kolkata - 700 020
November 14, 2008**

**By Order of the Board
For R S Software India Limited
Vijendra Surana
CFO & Company Secretary**