

## NOTICE

Notice is hereby given that the Thirteenth Annual General Meeting of Thinksoft Global Services Limited will be held on Friday, 29th July, 2011 at 3.30 PM at Esthell Continental Hotels and Resorts, No. 1, Royal Enclave, Besant Avenue, Adyar, Chennai 600020 to transact the following business:

### Ordinary business

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended March 31, 2011 and the Balance Sheet as at that date together with the Reports of the Board of Directors' and Auditors' thereon.
2. To declare a final dividend of Re. 1/- per equity share of face value of Rs. 10/- for the year 2010-11.
3. To appoint a Director in place of Mr. C N Madhusudan, who is liable to retire by rotation and is eligible for re-appointment.
4. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s. PKF Sridhar & Santhanam, Chartered Accountants, the retiring auditors, are eligible for re-appointment.

### Special business

5. Approval of Thinksoft Employee Stock Option Scheme – 2011

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

RESOLVED THAT pursuant to provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956, Memorandum and Articles of Association of the Company and the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, as amended from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed by them while granting such permissions, consents, authority and approval of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee including Remuneration Committee of the Board) to create, issue, offer and allot in one or more tranches under Thinksoft – Employee Stock Option Scheme 2011 (the Scheme) at any time to or for the benefit of employees and Directors (except Promoter Directors and Promoter Group) of the Company such number of options not exceeding 1,005,100 (Ten lakh five thousand and one hundred only) at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with the Guidelines or other applicable provisions of any law as may be prevailing at the relevant date.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the securities allotted under Thinksoft – Employee Stock Option Scheme 2011 in the Stock Exchanges (Bombay Stock Exchange Limited and National Stock Exchange of India Limited) where the securities of the Company are listed as per provisions of the Listing Agreement with the Concerned Stock Exchanges and other applicable Guidelines, Rules and Regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue, allotment or listing of securities, the Board be and is hereby authorized on behalf of the Company to evolve, decide upon and bring into effect the Scheme and make any modifications, changes, variations, alterations or revisions in the said Scheme from time to time as may be specified by any statutory authorities and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties, or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members.

By order of the Board of Directors  
For Thinksoft Global Services Limited

Place: Chennai  
Date: 29th April, 2011

Sd/-  
V Rajkumar  
Company Secretary

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Transfer Books of the Company will be closed from July 16, 2011 to July 29, 2011 (both days inclusive).
4. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, relating to Special Business to be transacted at the meeting, is annexed hereto. The relevant details as required by Clause 49 of the Listing Agreements entered with the Stock Exchanges, of person seeking re-appointment as Director under Item no. 3 of the Notice is also annexed.
5. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective Depository Participants. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.

### **Explanatory Statement**

Pursuant to Section 173(2) of the Companies Act, 1956

#### **Item no. 5**

Stock Options serve to align the interests of the employees with those of the shareholders by creating a common sense of purpose towards enhancing the shareholder value and also serve to attract and retain talent that is absolutely essential for the survival and growth of the Company in today's global competitive environment. Stock options will support the objective of creating value for your Company.

Thinksoft had three Stock Options Scheme namely ESOP Scheme 2006/2007/2008. All the options granted under these schemes were exercised/lapsed and no option is pending as on date. The Remuneration Committee has recommended to the Board for introducing ESOP Scheme.

Thus Board of Directors of your Company at its meeting held on April 29, 2011 approved the Employee Stock Option Scheme under the nomenclature, ' Thinksoft – Employee Stock Option Scheme 2011 ("Thinksoft - ESOS 2011")', framed in accordance with the provisions of Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 for the employees of the Company and its Directors, as may be determined by the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee including Remuneration Committee of the Board) and recommended for the approval of the Members.

The Salient features of the Scheme are as follows:

#### **Employee Stock Option Scheme 2011**

Under the Scheme, the employees will be given an option to acquire a certain number of shares as and when the options get vested with the employee.

The Remuneration Committee has formulated detailed terms and conditions of the Scheme and will administer the same. Subject to the provisions of the Scheme, and subject to the approval of relevant authorities, the Remuneration Committee shall determine the quantum of options to be granted per employee under the Scheme.

##### **a. Total number of Options to be granted**

The maximum number of options to be granted under Thinksoft - ESOS 2011 shall be 1,005,100 (Ten lakh five thousand and one hundred only).

##### **b. Identification of the Class of Employees entitled to participate in the Scheme**

Employees entitled to participate in the Thinksoft - ESOS 2011 are "Employees" as defined in the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 (including any statutory modifications or re-enactment of the Act or the Guidelines, for the time being in force), of the Company as may be identified by the Remuneration Committee from time to time. Under the prevailing Regulations, an Employee who is a Promoter or belongs to the Promoter Group will

not be eligible to participate in the Thinksoft - ESOS 2011. Identification of Employees eligible to participate in the Thinksoft - ESOS 2011 and grant of options to identified employees will be based on such parameters as may be decided by the Remuneration Committee in its discretion from time to time. The options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner.

#### **c. Requirements of vesting and period of vesting**

Except in case of demise or permanent incapacity, continuation of the Employee in the service of the Company shall be a primary requirement of the vesting. The requirement formulated by the Remuneration Committee shall vest in the case of demise and permanent incapacity.

In the event of the death of an employee while in employment, all the options granted to him till such date shall vest in the legal heirs or nominees of the deceased employee, which shall be exercised within a period of ninety days and in the event of permanent incapacity while in employment, all the options granted to him as on the date of permanent incapacitation shall vest in him on that date and shall be exercised as per the period specified in the scheme.

#### **d. Maximum period within which the options shall be vested:**

There shall be minimum lock-in period of one year between date of grant of options and date of vesting of options and the options shall vest as follows:

<b>Vesting Period</b>	<b>Vesting in%</b>
At the end of one year from the date of grant	40% of total grant
At the end of 2nd year from the date of grant	30% of total grant
At the end of 3rd year from the date of grant	30% of total grant

Notwithstanding anything contained in the scheme, the Remuneration Committee shall have powers to vary the vesting period to such employee/s or class of employee/s as it may deem necessary. However, the minimum vesting period shall be one year from the date of grant.

#### **e. Exercise price and pricing formula**

The Options would be granted at the market price on the date of grant or such price as the Board of Directors/Remuneration Committee may determine in accordance with the Regulations and guidelines prescribed by Securities and Exchange Board of India and/or other relevant authority from time to time.

#### **f. Exercise period and the process of exercise**

The options granted under the Scheme shall be exercisable as and when the options vested with the employee. The options shall be deemed to have been exercised when an Employee makes an application in writing to the Company for the issuance of Equity Shares against the options vested to the Employee. The exercise period will commence from the date of vesting and shall expire at the end of 5 years from the date of vesting.

#### **g. Appraisal process for determining the eligibility of employees**

The appraisal process for determining the Employees to whom the option shall be granted, shall be based upon (i) performance of the Employee as indicated by the annual performance appraisal, (ii) minimum period of service, (iii) the status of the Employee in the Company, (iv) the present and potential contribution of the Employee to the success of the Company, (v) the criticality of the Employee, (vi) high market value/difficulty in replacing the Employee and (vii) high risk of losing the Employee to competition. The Remuneration Committee at its discretion may extend the benefits of the Scheme to a new entrant also.

#### **h. Maximum number of options to be issued per employee**

The maximum number of options granted to an employee shall not be equal or exceeding 1% of the issued capital of the Company at the time of grant of Option. However The Board may decide to grant such number of options equal to or exceeding 1% of the issued capital to any employee subject to separate approval of the shareholders in a general meeting.

#### **i. Accounting policies and disclosures**

The Company will conform to the disclosures and the accounting policies prescribed by Securities and Exchange Board of India under Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and other regulatory authorities from time to time.

#### j. Method to be used to determine the value of the options

The Company shall use the Intrinsic Method to value its options.

The difference between the employee compensation cost computed under intrinsic value method and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors' Report and the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' Report.

Clause 6 of the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 requires that any ESOP scheme for offering stock options to the employees of the Company must be approved by the shareholders by way of special resolution. Further, as the scheme will entail further shares to be offered to the person other than existing shareholders of the Company, consent of the shareholders is required by the way of a special resolution pursuant to the provisions of the Section 81(1A) of the Companies Act, 1956.

None of the Directors of the Company is in any way concerned or interested in the resolution, except to the extent of the securities that may be offered to them under the Scheme.

Board of Directors recommends the special resolutions for your approval.

By Order of the Board  
For Thinksoft Global Services Limited

Sd/-  
V Rajkumar  
Company Secretary

Place: Chennai  
Date: 29th April, 2011

#### Details of Director seeking re-appointment at the Annual General Meeting

Name	Mr. C N Madhusudan
Date of Birth	September 30, 1959
Date of Appointment	September 17, 2008
Qualification	B.Sc., PGDM (IIM-A)
Expertise in specific functional area	Mr. C N Madhusudan's expertise areas include launching new businesses, Turnaround Management, Outsourcing, Strategic Investments and Mergers & Acquisitions. He is the founder and CEO of VectorSpan Inc., an enterprise that enables Companies to develop and implement their Growth/Exit Strategy, engineer Inorganic growth and make integration and Cross Border Transactions successful. He held key roles at NIIT including oversight of Bangalore and Mumbai operations, leadership of HR, IS and Corporate Planning Groups, President & COO of US operations and President of NIIT Ventures.
Directorships held in other Public Companies (excluding Foreign Companies and section 25 Companies)	Nil
Memberships/Chairmanships of Committees of other Public Companies (includes only Audit Committee and Shareholder/Investor Grievance Committee)	Nil
No. of shares held in the Company	Nil

## ATTENDANCE SLIP

(To be presented at the entrance)

13TH ANNUAL GENERAL MEETING ON FRIDAY, JULY 29, 2011 AT 3.30 PM

At Esthell Continental Hotels and Resorts, No.1, Royal Enclave, Besant Avenue, Adyar, Chennai 600020

Folio No ..... DP ID No ..... Client ID .....

I/We hereby record my/our presence at the 13th Annual General Meeting of the members of the Company held on Friday, July 29, 2011 at 3.30 pm at Esthell Continental Hotels and Resorts, No.1, Royal Enclave, Besant Avenue, Adyar, Chennai 600020

Name of the Member/Proxy holder:

Signature of Shareholder/proxy



## PROXY FORM

I/We ..... of ..... being a Member/Member(s) of Thinksoft Global Services Limited appoint ..... or failing him/her ..... of ..... or failing him/her ..... of ..... as my/our proxy to attend and vote for me/us and on my/our behalf at the Thirteenth Annual General Meeting of the company to be held on Friday, July 29, 2011 at 3.30 pm at Esthell Continental Hotels and Resorts, No.1, Royal Enclave, Besant Avenue, Adyar, Chennai 600020 and at any adjournment thereof.

Folio No ..... DP ID No ..... Client ID .....

No. of Shares .....

Signed this ..... day of ....., 2011

Please affix  
Re. 1/-  
revenue  
stamp and  
sign across

- Note:
1. The Proxy form should be signed by the member across the stamp.
  2. A member intending to appoint a Proxy should complete the Proxy form and deposit it at the Company's Registered office, at least 48 hours before the time for holding the aforesaid meeting.
  3. Members, who hold shares in Demat form to quote their Demat Account no. and Depository Participant (D.P.) Id No.