

**PROCEEDINGS OF THE SIXTEENTH ANNUAL GENERAL MEETING OF AURUM
SOFT SYSTEMS LIMITED HELD ON FRIDAY, SEPTEMBER 24, 2010 AT 11.00 A.M.
AT THE CONFERENCE CENTRE - MINI HALL, NEW NO:24, OLD NO:58, 2ND MAIN
ROAD, R.A. PURAM, CHENNAI - 600 028**

Present:

1. Shri. A. Balasubramanian – Chairman
2. Shri. Srikanth Ramanathan – Managing Director

9 members in person representing 2919302 equity shares

No proxies were present

Shri. A. Balasubramanian, Chairman of the Company, took the chair and called the meeting to order as the requisite quorum was present.

The Chairman introduced Shri. Srikanth Ramanathan, Managing Director, Shri. S. Arun Kumar, Chief Financial Officer & Company Secretary and Shri. R. R. Rajkumar, Statutory Auditor, who were present at the Meeting.

With the permission of the members, the Notice of the Annual General Meeting was taken as read.

The Chairman asked Shri. S. Arun Kumar, Chief Financial Officer & Company Secretary to read the Auditor's Report.

Shri. S. Arun Kumar, Chief Financial Officer & Company Secretary read the Auditors' Report dated August 14, 2010. The annexure to auditors' report was taken as read with the unanimous consent of the members present.

Chairman then took up the business stated in the Notice in Seriatim.

1. Adoption of Accounts

The resolution to consider and adopt the audited Accounts of the Company for the financial year ended March 31, 2010 and the Reports of the Directors and Auditors thereon was proposed as an Ordinary Resolution by Shri. N. Seetharman (DPID: IN301080, Client ID: 22748205), a member of the Company.

The Chairman invited the members to raise queries, if any, on the accounts.

Few members sought for certain clarifications relating to the performance of the Company and the Managing Director gave explanation on all the queries raised by the members

The Chairman with the consent of the members put to vote the following ordinary resolution, by show of hands.

“RESOLVED THAT the Audited Balance Sheet of the Company as at 31st March 2010 and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and the Auditors thereon be and are hereby adopted.”

The above resolution was seconded by Shri. Lalith Chandak (DP ID/ Client ID: 12039700 00055693), another member.

The resolution was passed unanimously.

2. Declaration of dividend for the financial year ended March 31, 2010

The Chairman informed that the Board of directors had recommended a dividend of 5% on the equity share capital of the Company, for the financial year 2009-10. In this regard, the following resolution was proposed as an ordinary resolution by Shri. Tikamdas Chandak (Client I.D.1203970000055864) and seconded by Smt. Har Pyari Devi Chandak (Folio No 00000006) another member:

“RESOLVED THAT pursuant to the recommendations of the Board of directors, a final dividend of Re. 0.50 (i.e. 5%) per equity share of Rs. 10/- each, for the financial year 2009-10, be and is hereby declared, absorbing a sum of Rs. 50,60,820/- (including dividend distribution tax) out of the accumulated profits of the Company and that the same be paid to the shareholders, whose name appears in the register of members as at the close of business hours on September 16, 2010.”

The above resolution was put to vote on show of hands and the same was passed unanimously.

3. Re-appointment of Shri Ganapathi Subramanian as Director

The following resolution was proposed as an Ordinary Resolution by Shri. Srikanth Ramanathan (DP ID IN301080 Client ID 22752185), a member and seconded by Shri. N. Seetharman (DPID:IN301080, Client ID: 22748205), another member.

“RESOLVED THAT Shri Ganapathi Subramanian, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company.”

The above resolution was put to vote on show of hands and the same was passed unanimously.

4. Appointment of Auditor and fixation of remuneration

The Chairman informed that Shri. R.R. Rajkumar, Chartered Accountant, Chennai, holds office as statutory auditor of the Company until the conclusion of this Annual General Meeting. For the purpose of his re-appointment, the following resolution was proposed as an Ordinary Resolution by Shri. Lalith Chandak (DP ID/ Client ID: 12039700 00055693), and seconded by Smt. Har Pyari Devi Chandak (Folio No 00000006), another member.

“RESOLVED THAT the retiring auditor, Mr. R. R. Rajkumar, Chartered Accountant, Chennai (Membership number 209877), be and is hereby re-appointed as the Statutory Auditor of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors of the Company”.

The above resolution was put to vote on show of hands and the same was passed unanimously.

5. Alteration of Articles of Association of the Company

The Chairman informed that the Articles of Association of the Company was proposed to be amended to include provision for Capitalisation of reserves.

For the purpose of the said amendment to the Articles of Association, the following resolution was proposed as a Special Resolution by Shri. N. Seetharman (DPID:IN301080, Client ID: 22748205), and seconded by Shri. Tikamdas Chandak (Client I.D.1203970000055864), another member.

“RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modifications or re-enactment thereof for the time being in force), and subject to the consents, approvals, suggestions, alterations, additions, deletions amendments and modifications as may be required, instructed by the Stock Exchanges where the shares of the Company are listed and such other approvals, as may be necessary, the articles of association of the Company be altered as under:

The following Clauses shall be inserted as a new clause 72A, 72B and 72C, between the existing Clauses 72 and 73

72A. Capitalisation of Reserves

Any General Meeting may resolve that any moneys, investments, or other assets forming part of the undivided profits of the Company standing to the credit of the Reserves, or any Capital Redemption Reserve Accounts, or in the hands of the Company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account be entitled and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of such shareholders in paying up in full of any unissued shares, of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, or towards both and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum. Provided that any sum standing to the credit of a Share Premium Account or a Capital Redemption Reserve Account may, for the purpose of this Article only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

72B. Surplus Money

A General Meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital.

72C. Fractional Certificates

For the purpose of giving effect to any resolution under the two last preceding Articles hereof, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may determine that cash payments shall be made to any members upon the footing of the value so fixed for such fractional certificate in order to adjust the rights of all parties and may vest such cash or for such fractional certificates in trustees upon such trusts for the persons entitled to the dividends or capitalised funds as may seem expedient to the Board. Where requisite a proper contract shall be filled in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the person entitled to the dividends or capitalised fund, and such appointment shall be effective.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient or proper to give effect to this resolution and to settle any questions, difficulties, or doubts that may arise in this regard at any stage, without requiring the Board to secure any further consent or approval of the members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution”.

The above resolution was put to vote on show of hands and the same was passed unanimously.

Shri. A. Balasubramanian, Chairman thanked the members for their active participation in the Annual General Meeting and declared the meeting as closed.