

**PROCEEDINGS OF THE EXTRAORDINARY GENERAL MEETING OF AURUM
SOFT SYSTEMS LIMITED HELD ON WEDNESDAY, JANUARY 19, 2011 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
3. Shri. K.S. Vaidyanathan
4. Shri. V.Ganapathi Subramanian

13 members in person representing 36,97,910 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 all the Directors of the Company and Shri. S. Arun Kumar, Chief Financial Officer & Company Secretary, who were present at the Meeting.

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

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

1. Increase in Authorised Share Capital

The Chairman informed the members that in view of the proposed bonus issue of equity shares, it was necessary for the Company to increase its authorized share capital in order to accommodate the bonus shares.

The following resolution to increase the Authorised Share Capital from Rs. 10 crores to Rs. 15 Crores was proposed as an Ordinary Resolution by Shri. J Subramanian (DPID: IN300095, Client ID: 10704367), a member of the Company and seconded by Shri. Anwar Ahmed Sait (DP ID: IN3000095, Client ID 11261283), another member.

“RESOLVED THAT pursuant to the provisions of Articles 4 and 9 of the Articles of Association and Sections 16, 94 and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendments or re-enactment thereof), the Authorised Share Capital of the Company be and is hereby increased from Rs. 10 Crores (Rupees Ten Crores) to Rs. 15 Crores (Rupees Fifteen Crores).”

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

2. Sub-division of shares

The Chairman informed that with a view to broad base the investor base by encouraging the participation of retail investors and also with a view to increase the liquidity of the equity shares of the Company, it is proposed to sub-divide each equity share of face value of Rs. 10/- into 5 (five) equity shares of face value of Rs. 2/- (Rupees Two).

The following resolution to sub-divide each equity shares of face value of Rs. 10/- into 5 (five) equity shares of face value of Rs. 2/- (Rupees Two), was proposed as an Ordinary Resolution by Shri. J Ramakrishnan (DPID: IN300095, Client ID: 11426367), a member of the Company and seconded by Smt. S Sujatha (DP ID: IN300095, Client ID 11402472), another member.

“RESOLVED THAT pursuant to the provisions of Articles 4 and 9 of the Articles of Association and Sections 16, 94 and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendments or re-enactment thereof) and subject to such approvals, consents, permissions and sanctions, if any, as may be required from any authority, and subject to such conditions as may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall also include any committee thereof), consent of the Members be and is hereby accorded for sub-dividing the equity shares of the Company, including the paid-up shares, such that each existing equity share of the Company of the face value of Rs. 10/- (Rupees Ten) each be sub-divided into 5 (five) equity shares of the face value of Rs. 2/- (Rupees Two) each.

RESOLVED FURTHER THAT pursuant to the sub-division of the equity shares of the Company, the issued, subscribed and paid-up equity shares of face value of Rs. 10/- (Rupees Ten) each, shall stand sub-divided into equity shares of face value of Rs. 2/- (Rupees Two) each, fully paid-up.

RESOLVED FURTHER THAT the sub-division of shares shall be effective and simultaneous with the allotment of Bonus Shares by the Board or as per advice of the Stock Exchanges.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do, perform and execute all such acts, deeds, matters and things as it may consider necessary, expedient, usual or proper to give effect to this resolution including but not limited to fixing of the record date as per the requirement of the Listing Agreement, execution of all necessary documents with the Stock Exchanges and the Depositories, Reserve Bank of India and / or any other relevant statutory authority, if any, to issue new share certificates, in cancellation of existing shares without physically exchanging the share certificates by treating the old share certificates as deemed to be cancelled and invalid, subject to the rules as laid down in the Companies (Issue of Share Certificate) Rules, 1960 and Articles of Association of the Company and to settle any question, difficulty or doubts that may arise with regard to the sub-division of the equity shares as aforesaid 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 and for matters connected herewith or incidental hereto expressly by the authority of this resolution.”

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

3. Alteration to the Memorandum of Association

The Chairman informed that consequent to increase in the authorized share capital of the Company and sub-division of the equity shares, it was necessary to alter the existing Clause V of the Memorandum of Association of the Company.

The following resolution was proposed as an Ordinary Resolution by Shri. N. Seetharaman (DP ID IN300572 Client ID 10025090), a member and seconded by Smt. K G Manghelum (DPID: IN300095, Client ID: 10305888), another member.

“RESOLVED THAT pursuant to the provisions of Sections 16, 94 and all other applicable provisions, if any, of the Companies Act, 1956, (including amendments thereto or re-enactment thereof), the existing Clause V of Memorandum of Association of the Company be and is hereby altered by substituting the following new Clause V :

“The Authorised Share Capital of the Company is Rs. 15,00,00,000 (Rupees Fifteen Crore) divided into 7,50,00,000 (Seven Crores Fifty Lakhs) Equity Shares of Rs. 2/- (Rupees Two) each with power to increase, reduce, sub - divide or consolidate the capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred or special right, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges and conditions in such manner as may for the time being be provided by the Regulations of the Company.”

RESOLVED FURTHER THAT the alteration to the Memorandum of Association shall be effective and simultaneous with the allotment of Bonus Shares by the Board of Directors or a Committee thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof be and is hereby authorised to do, perform and execute all such acts, matters, deeds and things as it may consider necessary, expedient, usual or proper to give effect to this resolution, including but not limited to filing of necessary forms with the Registrar of Companies and to comply with all other requirements in this regard and for any matters connected herewith or incidental hereto.”

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

4. Issue of Bonus Shares

The Chairman informed that in view of the comfortable reserves position on account of the balance available in the share premium account, the Board of Directors has recommended issue of bonus shares by utilizing a part of the amount standing to the credit of the share premium account.

The following resolution was then proposed as an Ordinary Resolution by Shri. J Subramanian (DPID: IN300095, Client ID: 10704367), a member and seconded by Shri. N. Seetharaman (DP ID IN300572 Client ID 10025090), another member.

“RESOLVED THAT pursuant to the provisions of Articles 72A, 72B & 72C of the Articles of Association of the Company and upon the recommendation made by the Board of Directors at their meeting held on December 23, 2010 (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board of Directors formed for the time being to exercise the powers conferred on the Board of Directors formed for the time being to exercise the powers conferred on the Board of Directors in this behalf) and pursuant to the applicable provisions of the Companies Act, 1956 and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“the Regulations”) and subject to such necessary approvals, permissions and sanctions, as may be required and subject to such terms and conditions as may be specified while according such approvals, a sum of Rs. 4,34,00,000/- (Rupees Four Crores and Thirty Four

lakhs) out of the sum standing to the credit of share premium account, be and is hereby capitalised and transferred to the Share Capital Account and be utilised for allotment of 1 (one) Bonus equity share of Rs. 2/- (Rupee Two) credited as fully paid up for every 2 (Two) eligible existing fully paid (sub-divided) equity share of Rs. 2/- (Rupee Two) held by the members and accordingly the Board, be and is hereby authorized to appropriate the said sum for distribution to and amongst the members of the Company whose names appear in the Register of Members or as the beneficial owner(s) of the equity shares of the Company, in the records of the Depositories, at the close of business on such date (hereinafter referred to as "the Record Date") to be hereafter fixed by the Board and on the basis and that the Bonus Shares so distributed shall, for all purposes, be treated as an increase in the nominal amount in the Capital of the Company, held by each such member and not as income.

RESOLVED FURTHER THAT the new equity shares shall be allotted subject to the Memorandum and Articles of Association of the Company and shall in all respects rank *pari passu* with the existing sub-divided fully paid-up equity shares of the Company, with a right, to participate in dividend in full that may be declared after the date of allotment of these equity shares as the Board may determine.

RESOLVED FURTHER THAT no letter of allotment shall be issued to the allottees of the Bonus shares and the share certificates be delivered to the shareholders who hold the existing equity shares in physical form and the respective beneficiary accounts be credited with the bonus shares, for such shareholders who hold the existing equity shares in dematerialized form, within the prescribed period.

RESOLVED FURTHER THAT no fractions, if any arising out of the issue and allotment of the Bonus Shares shall be allotted by the Company and the Company shall not issue any physical share certificate or demat credit in electronic form in respect of such fractional entitlements but all such fractional entitlements, if any, shall be consolidated and the Bonus Shares, in lieu thereof, shall be allotted by the Board to such person or persons as may be appointed in this behalf by the Board, who shall hold the same upon Trust for the members entitled thereto and who shall sell the said shares as soon as practicable, at the prevailing market rate and pay the net sale proceeds thereof, after adjusting therefrom the cost and expenses in respect of such sale, amongst the Members, in proportion to their fractional entitlements.

RESOLVED FURTHER THAT the allotment of fully paid new Equity shares as bonus shares to the extent that they relate to the non-resident members, Foreign Institutional Investors (FIIs) and other foreign investors of the Company and / or distribution of net sale proceeds in respect of fractional entitlements to which such Members may be entitled, shall be subject to the approval, if necessary, of Reserve Bank of India (RBI) under Foreign Exchange Management Act, 1999 and Rules framed there under and subject to Tax Deduction at Source, as may be applicable.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as may, in their absolute discretion, deem necessary, expedient, usual or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of the bonus shares 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 and for matters connected herewith or incidental hereto 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 General Meeting and declared the meeting as closed.

Place : Chennai
Date : 25/01/2011

Chairman