

NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of the members of SQL STAR INTERNATIONAL LIMITED will be held on Monday, the 22nd day of September, 2008 at 3.30 P.M. at Hotel Central Court, Lakdikapul, Hyderabad to transact the following business: -

ORDINARY BUSINESS:

1. Adoption of Annual Accounts and Directors' Report for the financial year 2007-08.

To consider and adopt the Balance Sheet as at 31st March 2008, the Profit & Loss Account for the year ended on 31st March 2008 along with the annexure and the reports of the Board of Directors and Auditors thereon.

2. Appointment of Director retiring by rotation.

To appoint a director in place of Mr. K.Jayabharath Reddy IAS (Retd.) who retires by rotation and being eligible, offers himself for re-appointment.

3. Re-appointment of Auditors.

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

"RESOLVED THAT M/s. Maharaj N. R. Suresh & Co., Chartered Accountants, be and are hereby appointed as auditors of the Company for holding the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on a remuneration as may be mutually decided between them and the Audit Committee and/or the Board of Directors of the Company along with traveling and out of pocket expenses."

SPECIAL BUSINESS:

4. REVISION OF THE REMUNERATION OF MR. N. R. GANTI, CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY

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

"RESOLVED THAT in accordance with the provisions of Sections 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to such approvals and consents as may be necessary, the consent of the Shareholders of the Company be and is hereby accorded to the payment of enhanced remuneration and perquisites to Mr. N. R. Ganti, Chairman and Managing Director with effect from 1st April 2008 as per the terms and conditions set out in the explanatory statement annexed to the notice convening this Annual General Meeting, without effecting in any way the payment of the present remuneration and perquisites already sanctioned by the central government and that the Board of Directors be and is hereby authorized to alter and vary such revised terms and conditions in accordance with the law from time to time in force as may be agreed to by the directors and acceptable to Mr. N. R. Ganti provided that such alterations are not less beneficial to the Company.

RESOLVED FURTHER THAT the above mentioned salary and perquisites shall be paid and allowed as a minimum remuneration during the currency of tenure of his office as the Chairman and Managing Director, notwithstanding the absence or inadequacy of profits in any accounting year as long as the minimum remuneration is within the prescribed limits under Section II of Part II of Schedule XIII of the Companies Act, 1956.

"RESOLVED FURTHER THAT the Board of Director be and is hereby authorized to take such steps as may be necessary and desirable to give effect to this resolution."

NOTES:

1. The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the special business is annexed hereto.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. The instrument appointing proxy, in order to be effective, should reach the registered office of the Company at least 48 hours before the time of the meeting.
3. The Register of Members and Transfer Books of



the Company will remain closed from 16th September, 2008 to 22nd September, 2008 (both days inclusive) in connection with the Annual General Meeting.

4. All documents referred to in the accompanying Notice and Explanatory Statement is open for inspection at the registered office of the Company on all working days up to the date of the Annual General Meeting.
5. Members/Proxy-holders are requested to produce at the entrance, the attached Attendance Slip duly completed and signed, for admission to the meeting hall.
6. Members seeking any information with regard to accounts of the Company are requested to send their queries to reach at least 10 days before the meeting, to enable the management to keep the information ready.
7. Members holding shares in physical form are requested to advise any change of address and all communication relating to shares immediately to the Company's Registrar and Share Transfer Agents, Karvy Computershare Private Limited (Unit: SQL

Star International Limited). Members holding shares in electronic form must send the advice about change in address to their respective Depository Participants and not to the Company.

8. Members / Proxies are requested to bring their copies of Annual Report to the meeting and the attendance slip duly filled in for attending the meeting. Copies of Annual Reports will not be provided at the Meeting.
9. As per Section 109 A of the Companies Act, 1956, nomination facility is available to individual shareholders. Shareholders, in particular those holding shares in single name are requested to avail the facility of nomination by furnishing to the Registrars and Transfer Agents (RTA) of the Company, the particulars of their nomination in the form enclosed at the end of this report.

By Order of the Board
for SQL Star International Limited

Place: Hyderabad

Parul Dua

Date : June 25, 2008

Company Secretary

Annexure to Notice

Brief particulars of Directors proposed to be appointed/re-appointed, as required to be furnished under the Listing Agreement, Corporate Governance Code:

Name of Director	Mr. K. Jayabharath Reddy, IAS (Retd.)
Date of Birth	12 th April 1937
Date of Appointment	27 th June 2005
Qualification	M.A. (Economics), Madras University M.A. (Economic Statistics), Delhi School of Economics
Expertise in specific functional areas	He is retired IAS officer having 34 years of rich and varied experience in the Indian Administrative Service. In the long stint of his career, he has held various important positions with the Government of Andhra Pradesh and Government of India, and was on the board of several organizations, banks and financial institutions. He had held several positions with immediate and direct responsibility for policy formation and decision-making, by virtue of which he has an accumulated wealth of versatile experience in General Administration, Financial and Industrial Management.

EXPLANATORY STATEMENT

[Pursuant to section 173(2) of the Companies Act, 1956]

Item No. 4

Mr. N. R. Ganti, 59 years, is a Post Graduate in Business Administration from a reputed Institute with specialization in Strategy and Corporate Finance. He has also participated in several management development courses conducted by reputed business schools. He started his career in the field of Banking with State Bank of India and presently is a Financial & Management Consultant. He has to his credit over thirty three years of varied and rich experience in the field of finance and management. He has and continues to hold positions on the Board and management committees of several reputed Companies.

Mr. Ganti founded and managed a very successful Management and Financial Consultancy firm that excelled in providing financial and management advisory services to a number of large scale and medium scale industries and entrepreneurs.

He has developed skills in complex multiparty restructurings and turnarounds, which enable him to assist his corporate clients when facing debt, cash flow, or structuring problems.

With the dedicated efforts of Mr. N. R. Ganti the Company is running on profitable growth ladder. Mr. N. R. Ganti is instrumental in expanding its operations to its present level.

In line with general increase in remuneration levels of management personnel in the corporate sector, the Board of directors recommended the resolution at item no 4 for the approval of the members of the Company. The increase is in accordance with Schedule XIII to the Companies Act, 1956. Following are the terms and conditions of his appointment:

Remuneration: The overall remuneration shall be Rs. 3,12,500 /- (Rs Three Lacs Twelve Thousand Five Hundred only) per month and shall be broken up into salary and perquisites as mutually agreed terms keeping in view the applicable Income tax and other relevant laws.

Besides the above he will also be entitled for the following:

Business Expenses: Reimbursement of all business related expenses actually and properly incurred for the business of the Company

Telephone expenses: Telephone expenses including Mobile phone(s) and telephone(s) at residence shall be to co.'s account.

Club fees: Fees, subject to maximum of two clubs will be allowed. This will not include admission and life membership fees.

In addition, he will be eligible for the following perquisites:

Gratuity – not exceeding half a month's salary for each completed year of service.

Earned leave on full pay and allowance as per rules of the Company but not exceeding one (1) month leave for every eleven (11) months. Encashment of leave will be payable as per Company policy.

Free use of Company's car with driver for Company's business.

Provided Further that the above mentioned salary and perquisites shall be paid and allowed as a minimum remuneration during the currency of tenure of his office as the Executive Chairman, notwithstanding the absence or inadequacy of profits in any accounting year as long as the minimum remuneration is within the prescribed limits under Section II of Part II of Schedule XIII of the Companies Act, 1956.

Mr. N. R. Ganti may be deemed to be interested in the proposed resolution to the extent of his remuneration. No other Director of the Company has any interest in the proposed resolution.

The resolution set out in the accompanying notice together with the explanation should be treated as an extract under Section 302 of the Companies Act 1956.

