



HFCL INFOTEL LIMITED

Regd. Office: B-71, Phase VII, Industrial Focal Point, Mohali 160 055, Punjab

NOTICE OF POSTAL BALLOT

(Pursuant to provisions of Section 192A of the Companies Act, 1956)

Dear Shareholder (s),

Notice is hereby given pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, as amended from time to time, for seeking your consent by way of Special Resolution to shift the Registered Office of the Company from the State of Punjab to the State of Maharashtra.

In terms of the provisions of Section 17 read with Section 146(2) of the Companies Act, 1956, the shifting of the Registered Office of the Company from one State to another State requires prior approval of the shareholders by way of a Special Resolution and further confirmation of the same by the Hon'ble Company Law Board.

In terms of the provisions of Section 17 (1) of the Companies Act, 1956, alteration of the Memorandum of Association of the Company with respect to the situation clause requires the approval of the shareholders by way of a Special Resolution. Your consent is therefore being sought by way of the proposed Special Resolution appended below. Explanatory statement pertaining to the said Special Resolution setting out all material facts and reasons is also annexed herewith.

In terms of Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001, the consent of shareholders for the above purpose is required to be obtained by way of Postal Ballot. Accordingly, Postal Ballot Form along with the proposed Special Resolution & Explanatory Statement is submitted for your consideration. Mr. Ajay K. Arora, a Practicing Company Secretary at Chandigarh has been appointed as the "Scrutinizer" for conducting the postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Postal Ballot Form and return the same duly completed and signed in the attached self-addressed, postage prepaid envelope so as to reach the Scrutinizer not later than the close of working hours i.e 5:00 p.m on June 15, 2009. Please note that Postal Ballot Form(s) received after the said date will be treated as not having been received. Upon scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman/ Director/ Manager/ Company Secretary of the Company. Subsequently, the results of the postal ballot will be announced by the Chairman and in his absence by any Director or the Manager or the Company Secretary on June 16, 2009 at 4:00 P.M at the Registered Office of the Company. The result of the Postal Ballot will also be posted on the Company's website www.hfclconnect.com besides being communicated to the Stock Exchanges where the Equity shares of the Company are listed and will be published in English and Punjabi Newspapers. The resolution shall be deemed to be passed from the date of declaration of Result.

PROPOSED SPECIAL RESOLUTION

To consider and if thought fit, to give assent/dissent to the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 17, 146 (2) and other applicable provisions, if any, of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001 and subject to confirmation of Hon'ble Company Law Board, New Delhi Bench, and also subject to such other approvals / sanctions as may be required, the consent of the shareholders be and is hereby accorded to shift the registered office of the Company from the State of Punjab to the State of Maharashtra.

RESOLVED FURTHER THAT pursuant to Section 17(1) of the Companies Act, 1956, and other applicable provisions, if any, and subject to such other approvals / sanctions as may be required, the existing Clause II of the Memorandum of Association of the Company be substituted by the following, namely,

"II. The Registered Office of the Company will be situated in the State of Maharashtra."

FURTHER RESOLVED THAT any one of the Directors and /or Mr. Kapil Bhalla, Company Secretary be and are hereby severally authorised to sign, execute, file requisite Application(s), Petition(s), Affidavit(s) and any other documents and writings relating to the shifting of the registered office of the Company and to do all such acts, deeds, matters and things as may be deemed necessary and expedient under the Companies Act, 1956 and the Company Law Board Regulations, 1991, to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT any one of the Directors and /or Mr. Kapil Bhalla, Company Secretary be and are hereby severally authorized to appoint any counsel, advocate, consultant etc. as may be deemed necessary to give effect to the above resolution.”

**By Order of the Board of Directors
For HFCL Infotel Limited**

**Place: Mohali
Date : May 05, 2009**

**Kapil Bhalla
Company Secretary**

NOTE: Explanatory Statement setting out all material facts as required under Section 173(2) of the Companies Act, 1956 in respect of special business of the company is appended and forms part of the Notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

The Registered Office of the Company is presently situated at Mohali in the State of Punjab. It is now proposed to shift the Registered Office of the Company from the State of Punjab to Mumbai in the State of Maharashtra.

The Company's applications to the Department of Telecommunications ('DOT') for grant of Unified Access Service License ('UASL') in 21 Telecom circles was initially rejected by the DOT. However, under direction of the High Court of Delhi, the DOT, after a fresh review of all the applications, has directed the Company to exercise its choice for such number of circles as it may be eligible to get UASL based on its own and its promoter company's net worth. Without prejudice to its claim for all India UASLs for providing GSM services, the Company has informed the DOT about its choice of five telecom circles for which it intends to avail the UASL.

Considering the proposed expansion of the Company's business in other Telecom circles and keeping in mind the proposal for restructuring of Company's debt and raising of additional funds for the expansion project, it would be more appropriate for the Company to shift its registered office from Mohali in the State of Punjab to the financial and commercial capital of the country at Mumbai in the State of Maharashtra. This will facilitate better coordination with the Investor community and the Lenders for funding the growth plans of the company, apart from better coordination of the Company's business once services in other Telecom circles are launched.

The Company has already got an operational office in Mumbai for Investor and Banking coordination and handling of various regulatory issues and therefore it is being proposed that the registered office of the Company be shifted to the same location in Mumbai.

The members are therefore, requested to accord their approval to the above Special Resolution through Postal Ballot.

The Memorandum and Articles of Association of the Company are available and can be inspected by the shareholders at the Registered Office of the Company on any working day from May 20, 2009 to June 12, 2009 during the business hours between 10.00 a.m. to 12.00 noon.

None of the Directors or the Manager is in any way concerned or interested in the proposed resolution.

**By Order of the Board of Directors
For HFCL Infotel Limited**

**Place: Mohali
Date : May 05, 2009**

**Kapil Bhalla
Company Secretary**

Note :

The Scrutinizer will submit its report to the Chairman / Director/ Manager / Company Secretary of the Company after completion of the scrutiny. The result of the Postal Ballot will be announced by the Chairman/Director/Manager/ Company Secretary at 4.00 p.m. on June 16, 2009, at the registered office of the Company at B-71, Industrial Focal Point, Phase-VII, Mohali – 160055, Punjab. The result of the Postal Ballot will also be posted on the Company's website www.hfclconnect.com besides communication to the Stock Exchanges where the Company's shares are listed.



HFCL INFOTEL LIMITED

Regd. Office: B-71, Phase VII, Industrial Focal Point, Mohali 160 055, Punjab

POSTAL BALLOT NO. _____

POSTAL BALLOT FORM

- (1) Name(s) of Shareholders (in block letters, including Joint-holders if any) : _____
- (2) Registered Address of the Sole / First named Shareholder : _____
- (3) Registered Folio No./DPID No./Client ID No. (Applicable to investors holding shares in dematerialized form) : _____
- (4) No. of Shares held : _____

I / We hereby exercise my / our vote in respect of the Special Resolution to be passed through Postal Ballot for the business stated in the notice dated May 05, 2009 of the Company by sending my / our assent or dissent to the said resolutions by placing a tick mark at the appropriate box below:

| DESCRIPTION | NO. OF SHARES | I / WE ASSENT TO THE RESOLUTION | I / WE DISSENT TO THE RESOLUTION |
|--|---------------|---------------------------------|----------------------------------|
| Special Resolution under Section 17(1) of the Companies Act, 1956, to alter the Situation Clause of the Memorandum of Association. | | | |

Place: _____

Date: _____

Signature of the Shareholder / Beneficial Owner _____

INSTRUCTIONS

1. A member desiring to exercise vote by postal ballot may complete this Postal Ballot Form and send it to the Company in the attached self-addressed envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if sent by courier at the expense of the registered shareholder, will also be accepted.
2. The self-addressed envelope bears the name and postal address of the Scrutinizer appointed by the Board of Directors of the Company.
3. This form should be completed and signed by the shareholder. In the case of joint holding, this form should be completed and signed (as per the specimen signature registered with the Company) by the first named shareholder and in his absence, by the next named shareholder.
4. Unsigned Postal Ballot Forms will be rejected.
5. Duly completed Postal Ballot Forms should reach the Scrutinizer not later than the close of working hour i.e 5:00 p.m on June 15, 2009. Postal Ballot Forms received after this date will be strictly treated as if the reply from the member has not been received.
6. In case of shares held by the Company, trusts, societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Resolution of the Board / Authority.
7. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the shareholders as on the date of dispatch of the notice.
8. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed postage prepaid envelope in-as-much as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
9. Additional copies of the Postal Ballot Form can be obtained from the Registered Office of the Company.

| Calendar of Events | | |
|---------------------------|--|--------------------------------|
| S.No. | Particulars | Date |
| 1 | Date of Dispatch of Notice in respect of the business as notified by the Central Government to be transacted through Postal Ballot | May 13, 2009 – May 14, 2009 |
| 2 | Date of completion of dispatch of notice along with Postal Ballot | May 14, 2009 |
| 3 | Date of appointment of Scrutinizer | May 05, 2009 |
| 4 | Date on which consent given by the scrutinizer to act as scrutinizer | May 05, 2009 |
| 5 | Last date for receiving Postal Ballot papers by scrutinizer | June 15, 2009 |
| 6 | Date of signing of the minutes book by the Chairman in which the results of Postal Ballot is Recorded | June 16, 2009 |
| 7 | Date of returning the Ballot papers and the Register required to be maintained by the scrutinizer under rule 5(e) of the Companies (Passing of the resolutions by postal ballot) Rules, 2001 and other related papers to the Chairman by the Scrutinizer | June 16, 2009 |
| 8 | Date of Board Resolution authorising one of the functional directors and the Company Secretary to be responsible for the entire poll process | May 05, 2009 |
| 9 | Date of handing over of the ballot papers to the designated authority | June 16, 2009 |

For HFCL Infotel Limited

Place : Mohali
Dated: May 12, 2009


Kapil Bhalla
 Company Secretary



HFCL Infotel Ltd.

H.O. & Regd. Off. : B-71, Phase-VII, Industrial Focal Point, Mohali, Punjab - 160 055 India.
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