



Progeon Limited

Electronics City, Hosur Road
Bangalore 561229, India
Tel.: 91-80-8522405
Fax: 91-80-8522411

April 7, 2006

Dear member,

You are cordially invited to attend the Annual General Meeting of the members of the company on Thursday, June 1, 2006 at 10.00 A.M. at the Registered Office of the company at Plot No 26/3, 26/4 and 26/6, Electronics City, Hosur Road, Bangalore 560100.

The notice for the meeting containing the proposed resolutions is enclosed herewith.

Very truly yours,

A handwritten signature in black ink that reads "T.V. Mohandas Pai".

T V Mohandas Pai
Chairman

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Notice

NOTICE is hereby given that the fourth annual general meeting (AGM) of the members of Progeon Limited (the "Company") will be held on Thursday, June 1, 2006 at 10.00 A.M. at the Registered Office of the company at Plot No. 26/3, 26/4, 26/6, Electronics City, Hosur Road, Bangalore 560100, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at March 31, 2006 and the Profit and Loss Account for the year ended as on that date and reports of the directors and auditors thereon.
2. To approve the dividend paid on cumulative convertible preference shares.
3. To appoint a director in place of Mr. S D Shibulal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint auditors and to fix their remuneration for the ensuing year and to pass the following resolution:

"RESOLVED THAT BSR & Co., Chartered Accountants be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this annual general meeting until the conclusion of the next annual general meeting and the Board of Directors be and are hereby authorised to fix a suitable remuneration to them in consultation with the Auditors which remuneration may be paid on a progressive billing basis as may be agreed to between the auditors and the Board of Directors.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution:**
RESOLVED THAT Mr. Amitabh Chaudhry, who was co-opted as an additional director by the Board of Directors and who in terms of Section 260 of the Companies Act, 1956, holds office until the date of the annual general meeting and in respect of whom the Company has received a notice in writing from a member under the provisions of section 257 of the Act proposing his candidature for the office of a director, be and is hereby appointed as a director of the Company, liable to retire by rotation.
6. To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution:**
"RESOLVED THAT pursuant to the provisions of Sections 198, 269,309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956 the approval of the Company be and is hereby accorded to the appointment of Mr. Amitabh Chaudhry as Managing Director and Chief Executive Officer of the company for a period of five (5) years with effect from March 2, 2006 on the terms and conditions as stated in the explanatory statement attached to the Notice of the AGM and on the remuneration is stated below:
 - i. Basic Salary: Rs.88,100/- p.m.
 - ii. Allowances: Rs.1,53,567/- p.m
 - iii. Performance incentive: Rs.2,41,667/- p.m. payable quarterly or at such intervals as may be decided by the Board.
 - iv. Other benefits: Earned/ Privilege leave: As per the rules of the company.
 - v. The aggregate of salary, performance bonus, company-linked performance incentive, perquisites and allowances and other benefits taken together shall always be subject to the overall ceilings laid down in Section 198 and Section 309 of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to vary alter or modify the different components of the above stated remuneration as may be agreed to between the company and Mr. Amitabh Chaudhry.

RESOLVED FURTHER THAT notwithstanding anything hereinabove contained, wherein any financial year during the tenure of his appointment, the company has incurred loss or its profits are inadequate, the company shall pay to Mr. Amitabh Chaudhry, the remuneration by way of salary, perquisites, allowances, performance bonus and other benefits as aforesaid as a minimum remuneration, subject however to the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956."

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

RESOLVED THAT Mr. B G Srinivas, who was co-opted as an additional director by the Board of Directors, and who in terms of Section 260 of the Companies Act, 1956, holds office until the date of the annual general meeting and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Act proposing his candidature for the office of a director, be and is hereby appointed as a director of the Company, liable to retire by rotation.

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

RESOLVED THAT Mr. Eric S. Paternoster, who was co-opted as an additional director by the Board of Directors, and who in terms of Section 260 of the Companies Act, 1956, holds office until the date of the annual general meeting and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Act proposing his candidature for the office of a director, be and is hereby appointed as a director of the Company, liable to retire by rotation.

April 7, 2006
Bangalore

By Order of the Board

N R Ravikrishnan
Company Secretary

Notes

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE VALID, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

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

Item No.5

Mr. Amitabh Chaudhry was co-opted as an additional director of the Company with effect from March 2, 2006 pursuant to Section 260 of the Companies Act, 1956 and Article 111. of the Article of Association of the Company. Mr. Amitabh Chaudhry holds office of the additional director up to the date of the ensuing annual general meeting and is eligible for reappointment as a Director liable to retire by rotation.. The Company has received a notice in writing from a member along with a deposit of Rs. 500/- (Rupees five hundred) proposing the candidature of Mr. Amitabh Chaudhry for the office of the director pursuant to the provisions of Section 257 of the Companies Act, 1956.

Further, brief resume of Mr. Amitabh Chaudhry, his expertise in specific functional areas, other directorships/ committees memberships are furnished in the 'Additional Information on directors seeking election at the annual general meeting' forming part of this Notice.

The Board considers that his appointment as a Director will be beneficial to and in the interest of the company. The Directors recommend the resolution for your approval.

None of the directors other than Mr. Amitabh Chaudhry may be deemed to be interested or concerned in the proposed resolution as set out in Item No. 5 above.

Item No.6

The Board of Directors of the company, at their meeting held on January 10, 2006 have Mr. Amitabh Chaudhry as the Managing Director and Chief Executive Officer of the company for a period of five (5) years with effect from March 2, 2006. The abstract of the terms and conditions of appointment of Mr. Amitabh Chaudhry as Managing Director and Chief Executive Officer of the company and the memorandum signifying the concern or interest of the Directors therein, as required to be circulated pursuant to Section 302 of the Companies Act, 1956 has been circulated to the shareholders of the company vide letter dated January 23, 2006.

The terms and conditions of the appointment of Mr. Amitabh Chaudhry are set out once again hereunder for the information of the shareholders

- Date of appointment: March 2, 2006
- Tenure of appointment: Five (5) years with effect from March 2, 2006
- Remuneration: As enumerated in the resolution

The agreement of appointment of Managing Director is terminable with 6 months notice on either side.

The brief resume of Mr. Amitabh Chaudhry, his expertise in specific functional areas, other directorships/committees memberships are furnished in the 'Additional Information on directors seeking election at the annual general meeting' forming part of this Notice.

The Board considers that his appointment as a Managing Director and Chief Executive Officer of the company will be beneficial to and is in the interest of the company. The Directors recommend the resolution for your approval. Except Mr. Amitabh Chaudhry who may be deemed to be interested or concerned in the resolution no other Director is concerned or interested in the resolution

A copy of aforesaid agreement of appointment of Managing Director is available for the inspection of the members at the registered office of the company during the working hours until the date of Annual General Meeting.

Item No.7

Mr. B G Srinivas was co-opted as an additional director of the Company with effect from February 27, 2006 pursuant to Section 260 of the Companies Act, 1956. Mr. B G Srinivas holds office of the additional director up to the date of the ensuing annual general meeting. The Company has received a notice in writing from a member along with a deposit of Rs. 500 (Rupees five hundred) proposing the candidature of Mr. B G Srinivas for the office of the director under the provisions of Section 257 of the Companies Act, 1956.

None of the directors other than Mr. B G Srinivas may be deemed to be interested or concerned in the proposed resolution as set out in Item No. 7 above.

The Directors recommend the resolution for your approval.

Item No.8

Mr. Eric S. Paternoster was co-opted as an additional director of the Company with effect from February 27, 2006 pursuant to Section 260 of the Companies Act, 1956. Mr. Eric S. Paternoster holds office of the additional director up to the date of the ensuing annual general meeting. The Company has received a notice in writing from a member along with a deposit of Rs. 500 (Rupees five hundred) proposing the candidature of Mr. Eric S. Paternoster for the office of the director under the provisions of Section 257 of the Companies Act, 1956.

None of the directors other than Mr. Eric S. Paternoster may be deemed to be interested or concerned in the proposed resolution as set out in Item No. 8 above.

The Directors recommend the resolution for your approval.

**April 7, 2006
Bangalore**

**By Order of the Board
N R Ravikrishnan
Company Secretary**

Additional information on directors seeking election at the annual general meeting

Brief profile of Mr. S D Shibulal, Director

Mr. S. D. Shibulal is a co-founder of Infosys Technologies Limited and at present Director and Head of Delivery of Infosys Technologies Limited and also in the Board of Infosys Consulting, Inc., the wholly owned subsidiary of Infosys Technologies Limited. He received a master's degree in Physics from the University of Kerala and a master's degree in computer science from the Boston University. Mr. S. D. Shibulal represents Infosys Technologies Limited on the Board of the company and also a member of the audit and share allotment committee of the company.

Brief profile of Mr. Amitabh Chaudhry, Managing Director and Chief Executive Officer

Mr. Amitabh Chaudhry brings with him a total of 16 years of experience in banking industry. Before Progeon, Mr. Amitabh Chaudhry was with Credit Lyonnais Securities in Singapore where he headed their investment banking franchise for South East Asia and structured finance practice for Asia. Prior to Credit Lyonnais, he worked for Bank of America where he served in various senior roles including Head of Technology Investment Banking for Asia, Regional Finance Head for wholesale banking and global markets and Chief Finance Officer of Bank of America, India. He is a graduate in engineering from Birla Institute of Technology and Science, Pilani and an MBA from Indian Institute of Management, Ahmedabad.

Brief profile of Mr. B.G.Srinivas, Director

Mr. B G Srinivas is head of operations of EMEA for Infosys Technologies Limited. Mr. B G Srinivas has nearly 20 of experience in operations and consulting environment across multiple geographies and industry sectors. Prior to joining Infosys, Mr. Srinivas led corporate process systems for process automation and power transmission multinational, ABB. He has presented on Total quality in manufacturing at the international seminar for excellence in manufacturing and published papers on supply chains and enterprise solutions. Mr. Srinivas holds a Bachelor's degree in mechanical engineering from Bangalore University and Business Strategy with Wharton.

Brief profile of Mr. Eric S. Paternoster, Director

Mr. Eric S Paternoster joined Infosys Business Consulting Services in early 2002 as a Regional Consulting Head and is at present Head for the Insurance, HealthCare and Life Science Business Units of Infosys Technologies Limited. Mr. Eric S Paternoster has 23 years of experience in professional services/ consulting with Accenture, Ernst & Young and Infosys Technologies Limited. Prior to joining Infosys, Mr. Eric was with Accenture and Ernst & Young and handled a number of clients in banking, health care and insurance. Mr. Eric holds a engineering degree from the US Military Academy and a Masters in Business Administration in Finance from the University of Cincinnati. He also served as Infantry Officer in US Army.