



EDUCOMP SOLUTIONS LIMITED

Regd. Office: 1211, Padma Tower 1, 5, Rajendra Place, New Delhi-110008

Corporate Identity Number: L74999DL1994PLC061353

Tel.: 91-11-25755920. Fax: 91-11-25766775.

Website: www.educomp.com • email: investor.services@educomp.com

Dear Shareholders:

Postal Ballot Notice pursuant to Section 110 of the Companies Act, 2013

NOTICE is hereby given that pursuant to Section 110 of the Companies Act, 2013 ("the Act"), read with the Companies (Management and Administration) Rules, 2014 ("Relevant Rules"), Educomp Solutions Limited (the "Company") is seeking the consent of its members through postal ballot.

The proposed Special Business(es), along with explanatory statement pursuant to section 102 of the Companies Act, 2013, a postal ballot form ("**Form**") along with a self-addressed, postage pre-paid envelope are enclosed for your consideration and voting.

The Board of Directors of the Company ("**Board**") have appointed Mr. Abhishek Bansal, an Advocate as scrutinizer ("**Scrutinizer**") who will be responsible for the fair and transparent conduct of the vote through postal ballot.

Member(s) are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed in the attached self-addressed, prepaid postage envelope, so as to reach the Scrutinizer on or before the close of Business hours on 07th August, 2014.

Electronic Voting

The company is pleased to offer e-voting facility to its members enabling them to cast their vote electronically, instead of physical Postal Ballot Form. E-voting is optional. Please read the instructions carefully before exercising your vote.

The company has signed an agreement with the **National Securities Depository Limited (NSDL)** for facilitating e-voting to enable the shareholders to cast their votes electronically pursuant to Clause 35B of the Listing Agreement and Section 108 of the Act read with relevant rules.

The Scrutinizer will submit his report to the Company after completion of the scrutiny of the Postal Ballot Forms and after verifying the voting as per data received from the e-voting portal. The result of the Postal Ballot shall be announced in accordance with the provisions of Section 110 of the Act, read with relevant rules, at 4.30 P.M. at the registered office of the Company situated at **1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008** on Monday 11th August, 2014 by the Chairman or in his absence by any other person authorized by the Chairman.

The result of the postal ballot will be intimated to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Subsequently, the result of the postal ballot shall also be published in at least one English Newspaper and one vernacular language newspaper circulating in Delhi. The result of the postal ballot will also be displayed at website of the Company (www.educomp.com). The resolutions, if approved, will be taken as passed effectively on the date of declaration of results i.e Monday 11th August, 2014.

PROPOSED RESOLUTIONS:

SPECIAL BUSINESS(ES)

Item No. 1 **To approve the loan, investment and corporate guarantee limit of company under Section 186 of the Companies Act, 2013 in body corporates other than M/s Educomp Infrastructure & School Management Ltd and M/s Edu Smart Services Private Limited**

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval/ consent of other appropriate authorities, if any, the consent of the Company be and is hereby accorded to make

loan(s) and/or give any guarantee(s) and/or provide any security(ies) in connection with loan(s) made by any other person to, or to any other person and/or acquire, in one or more tranches, by way of subscription, purchase or otherwise the securities comprising of equity shares, convertible or non convertible preference shares or debentures, etc of any Body corporate (other than companies for which specific investment limit have been fixed and approved by the shareholders) upto a limit not exceeding Rs. 2000 Crore (Rupees Two Thousand Crores only) inclusive of existing investment, loan, corporate guarantee, security already made/ given to any Body Corporate(s) (other than companies for which specific investment limit have been fixed and approved by the shareholders) under the authority of the earlier resolutions passed by the members of the company;

RESOLVED FURTHER THAT the overall limit of loan(s) and/or guarantee(s)/ security (ies) in connection with loan(s) made to and/or investment by way of subscription, purchase or otherwise in the securities of any Body corporate pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) shall not exceed Rs. 7050 Crore (Rupees Seven Thousand Fifty Crore Only);

RESOLVED FURTHER THAT the Board be and is hereby authorized to negotiate and finalise the terms and conditions of the said investments, loans, guarantees and provision of security on behalf of the Company as it deem fit in the interest of the Company, to take all such actions and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required to be signed, on behalf of the Company, in connection with such investments, loans, guarantees and provision of security and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

Item No. 2 To approve the loan, investment and corporate Guarantee limit of company U/S 186 of the Companies Act, 2013 in body corporate naming M/s Educomp Infrastructure & School Management Limited

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval/ consent of such appropriate authorities where necessary, consent of the Company be and is hereby accorded to make investment, in one or more tranches, in M/s. Educomp Infrastructure & School Management Limited, by subscription, purchase or otherwise, in any securities comprising of equity shares, convertible or non-convertible preference shares or debentures or by making loan, or by providing of security or guarantee in connection with a loan made by any other person to or to any other person by 'Educomp Infrastructure & School Management Limited' up to Rs. 3500 Crores (Rupees Three Thousand Five Hundred Crores only) inclusive of existing investment, loan, corporate guarantee, security already made/ given under the authority of the earlier resolutions passed by the members of the company;

RESOLVED FURTHER THAT the Board be and is hereby authorized to negotiate and finalise the terms and conditions of the said investments, loans, guarantees and provision of security on behalf of the Company as it deem fit in the interest of the Company, to take all such actions and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required to be signed, on behalf of the Company, in connection with such investments, loans, guarantees and provision of security and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

Item No. 3 To approve the loan, investment and corporate guarantee limit of company U/S 186 of the Companies Act, 2013 in body corporate naming M/s Edu Smart Services Private Limited

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval/ consent of such appropriate authorities where necessary, consent of the Company be and is hereby accorded to make investment, in one or more tranches, in M/s. Edu Smart Services Private Limited, by subscription, purchase or otherwise, in any securities comprising of equity shares, convertible or non-convertible preference shares or debentures or by making loan, or by providing of security or guarantee in connection with a loan made by any other person to or to any other person by 'Edu Smart Services Private Limited' up to Rs. 1550 Crores (Rupees One Thousand Five Hundred Fifty Crores only) inclusive of existing investment, loan, corporate guarantee, security already made/ given under the authority of the earlier resolutions passed by the members of the company;

RESOLVED FURTHER THAT the Board be and is hereby authorized to negotiate and finalise the terms and conditions of the said investments, loans, guarantees and provision of security on behalf of the Company as it deem fit in the interest of the Company, to take all such actions and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required to be signed, on behalf of the Company, in connection with such investments, loans, guarantees and provision of security and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

Item No. 4 **To approve the borrowing Limit U/S 180(1)(c) of the Companies Act, 2013**

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company, be and is hereby accorded to the Board (hereinafter referred to as “the Board”, which term shall include any committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to borrow and raise such sum or sums of money or monies from time to time as may be required for the purpose of business of the Company notwithstanding that the money or monies to be borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the aggregate of such borrowings shall not exceed Rs. 5000 Crores (Rupees Five Thousand Crores Only) at any point of time;

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board of Directors or Committee or persons authorized by the Board be and are hereby authorized to finalize and execute any and all agreements and documents, papers, etc and also authorized to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, proper or desirable and to resolve any question, difficulty or doubt relating thereto, or otherwise considered to be in the best interest of the Company.”

Item No. 5 **To approve the limits U/S 180 (1) (a) of the Companies Act, 2013**

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded for selling, leasing, mortgaging and/or charging or otherwise disposing of movable and/or immovable properties of the company, both present and future, including the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings by the Board and/or duly authorised committee thereof (hereinafter referred as 'Board') in favour of the lender(s), agent(s), trustee(s) for securing the borrowings of the company or any other entity availed/to be availed by way of loan(s) in foreign currency and/or rupee currency and securities comprising fully/partly convertible debentures and/or non-convertible debentures with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instrument, issued/to be issued by the company or any other entity from time to time, subject to the limits approved under section 180(1)(c) of the Companies Act, 2013 together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on pre-payment, remuneration of agent(s), trustees, premium, (if any), on redemption all other costs, charges and expenses including any increase as a result of devaluation/revaluation/in the rates of exchange and all other monies payable by the company in terms of loan agreement(s), heads of agreement(s) debenture trust deed or any other document entered into/to be entered into between the company and the lender(s)/agent(s)/trustees, in respect of the said loans/borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of directors or committee thereof and the lender(s) agent(s)/trustees;

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board of Directors or Committee or persons authorized by the Board be and are hereby authorized to finalize and execute any and all agreements and documents, necessary for creating mortgage and / or charges as aforesaid and to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, proper or desirable and to resolve any question, difficulty or doubt relating thereto, or otherwise considered to be in the best interest of the Company.”

Item No. 6 **To approve the Corporate Debt Restructuring Scheme in relation to restructuring of the Company's debts**

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** subject to applicable provisions of the Companies Act, 2013, and all other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, listing agreements entered into with stock exchanges on which the shares of the Company are listed, the applicable rules, notifications, guidelines issued by the Government of India, the Reserve Bank of India (“**RBI**”) and any other regulatory authority (including but not limited to Securities and Exchange Board of India (“**SEBI**”)), and subject to approvals, permissions, sanctions and consents as may be necessary from any regulatory and other appropriate authorities (including but not limited to SEBI, the Corporate Debt Restructuring Empowered Group (the “**CDR EG**”), RBI, Government of India, etc.), which may be agreed to by the Board of Directors (hereinafter referred to as the “**Board**”, which term shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution), the Company hereby authorises, confirms, approves and ratify the corporate debt restructuring scheme (**CDR Package**) as approved by CDR EG vide the letter of approval dated February 28, 2014 (“**CDR LOA**”) bearing reference number BY.CDR(SSA)/No.1079/2013-14 and modified by reviewed letter of Restructuring Package approved in the CDR system dated March 19, 2014 (“**CDR RLOA**”) bearing reference number BY.CDR(SSA)/No.1143/2013-14 issued by Corporate Debt Restructuring Cell (**CDR Cell**) to the lenders whose loans are being restructured under the CDR Package (**CDR Lenders**);

RESOLVED FURTHER THAT the Board and / or any person authorised by the Board in respect thereof from time to time, be and is hereby authorised on behalf of the Company to (i) discuss, negotiate, amend, if required, the terms of the CDR LOA and CDR RLOA in the manner as may be approved by and between the Company and the CDR Lenders, (ii) negotiate, finalize and execute all documents required to be executed pursuant to CDR LOA, CDR RLOA and Master Restructuring Agreement (MRA) dated 25th March 2014 executed between the Company and the CDR Lenders (iii) amend the MRA and other documents if required in future, executed in the matter, (iv) implement the CDR LOA, CDR RLOA and the MRA, on the basis of the terms set out in the CDR LOA, CDR RLOA and the MRA, as may be agreed between the respective parties, and; (v) execute the necessary documents for the same including, inter-alia, issuance of equity shares or any other securities to persons in terms of the CDR LOA, CDR RLOA and the MRA."

Item No. 7 **To approve the Educomp Employee Stock Option Scheme 2014**

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to provisions of the Section 62 and applicable rules of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, Memorandum and Articles of Association of the Company, the Listing Agreement entered into by the Company with Stock Exchanges where the shares of the Company are listed and the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, as amended from time to time, the Reserve Bank of India or any relevant authority, from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed by them while granting such permissions, consents, authority, if any, approval of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee including Nomination and Remuneration committee of the Board) to frame the proposed Employees Stock Option Scheme 2014 and to create, issue, offer and allot in one or more tranches under the said proposed Employees Stock Option Scheme 2014 at any time to the present and/or future permanent employees of the Company except the Promoter or any other person belonging to the Promoters Group and Independent Directors such number of Equity Shares and/or equity linked instruments or Securities which could give rise to the issue of Equity Shares (hereinafter collectively referred to as "Securities") of the Company initially not exceeding 50,00,000 (Fifty Lacs only) options convertible into 50,00,000 equity shares of face value of Rs. 2/- each fully paid up (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable for time to time) at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with the Guidelines or other applicable provisions of any law as may be prevailing at the relevant date;

RESOLVED FURTHER THAT the limits for the maximum number of stock options that can be granted to non-executive directors, in any financial year shall be 5,00,000 (Five Lakh) stock options per Director;

RESOLVED FURTHER THAT the Board be and is hereby authorized to formulate, evolve, decide upon and bring into effect any scheme (hereinafter referred to as "the ESOP Scheme-2014") on such terms and conditions as contained in the relevant Explanatory Statement to this notice and to make any modification(s), change(s), variation(s), alteration(s) or revision(s) in the terms and conditions of the scheme from time to time including but not limited to amendments with respect to vesting period, exercise price, eligibility criteria, vesting schedule or to suspend, withdraw or revive the ESOP Scheme-2014;

RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted as stated aforesaid shall rank pari- passu with all the then existing equity shareholders of the Company for all purposes.

RESOLVED FURTHER THAT as required, the Company shall conform with the accounting policies as contained in the ESOS & ESPS Guidelines in force from time to time;

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the securities allotted under the ESOP Scheme-2014 in the Stock Exchanges where the securities of the Company are listed as per provisions of the Listing Agreement with the Concerned Stock Exchanges and other applicable guidelines, rules and regulations;

RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue, allotment or listing of securities, the Board be and is hereby authorized on behalf of the Company to evolve, decide upon and bring into effect the Scheme and make any modifications, changes, variations, alterations or revisions in the said Scheme from time to time or to suspend, withdraw or revise the Scheme from time to time as may be specified by any statutory authority and to do all such acts, deeds, matter and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties, or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members."

Item No. 8 **To approve the Educomp Employee Stock Option Scheme 2014 for subsidiaries**

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

"RESOLVED THAT the benefits of the Employee Stock Option Scheme 2014 proposed under Resolution No. 7 of this Notice and as approved by the

Members, be extended to such present and future permanent employees including Managing Director/Whole-Time Directors of such subsidiary Companies of the Company, as may be decided by the Board of Directors of the Company (hereinafter referred to as "the Board" which terms shall be deemed to include any committee including Nomination and Remuneration committee of the Board);

RESOLVED FURTHER THAT Board of Directors be and are hereby severally authorized on behalf of the Company to sign such documents, agreements, undertakings as may be necessary to give effect this resolution."

Item No. 9 **To approve the conversion of the loan into equity share capital of the company**

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactments thereof), the regulations/guidelines, if any, issued/prescribed by the Government of India, Securities Exchange Board of India (SEBI) and Reserve Bank of India (RBI), and in accordance with the relevant provisions of Memorandum and Articles of Association of the Company, the listing agreements entered into by the Company with the respective stock exchanges where the equity shares of the Company are listed, and all other concerned and relevant authorities from time to time, to the extent applicable and subject to such approvals of relevant statutory/governmental authorities as may be required, the consent, authority and approval of the Company be and is hereby accorded for the allotment of such number of equity shares of the face value of Rs. 2/- each (Rupees Two Only) to the Corporate Debt Restructuring Lenders and the Corporate Lenders (collectively referred to as the "**CDR Lenders**") upon the exercise of the right of the CDR Lenders/ Monitoring Institution to convert certain outstanding credit facilities granted by the CDR Lenders which shall not exceed the amount of principal and interest outstanding as on the date of conversion, in accordance with the terms of the Scheme of Corporate Debt Restructuring approved by the Corporate Debt Restructuring Empowered Group (CDR-EG), at its meeting held on February 17, 2014, and communicated to the Company by the Corporate Debt Restructuring Cell vide Letter of Approval dated February 28, 2014 bearing reference number BY.CDR(SSA)/No.1079/2013-14 and amendment letter dated March 19, 2014 bearing reference number BY.CDR(SSA)/No.1143/2013-14, (collectively referred to as the "**CDR LOA**") at price as per the Security Exchange Board of India ("**SEBI**") rules and regulations and the applicable provisions of the Companies Act, 2013 as amended from time to time and the Master Restructuring Agreement dated 25th March 2014, as amended from time to time, entered inter-alia between the Company and the CDR Lenders, on the exercise by the CDR Lenders of the Option to convert the whole or part of their loans;

The conversion by the CDR Lenders shall be in accordance with the following conditions:

- (i) On receipt of the Notice of Conversion, the Company shall allot and issue the requisite number of fully paid-up equity shares to the CDR lenders and such CDR Lenders shall accept the same in satisfaction of the loans of the CDR Lenders so converted, as envisaged under the CDR LOA;
- (ii) The part of the said loans so converted shall cease to carry interest as from the date of conversion and the said loans shall stand correspondingly reduced. Upon such conversion, the repayment installments payable after the date of conversion as per the CDR LOA shall stand reduced proportionately by the amounts of the said loan so converted;
- (iii) The equity shares so allotted and issued to the CDR Lender(s) shall rank pari passu with the existing Equity Shares of the Company in all respects, inter-alia, the dividends and other distributions declared or to be declared in respect of the equity capital of the Company;
- (iv) In the event that the CDR Lenders or any of the CDR Lender exercise the conversion right as aforesaid, the Company shall, at its cost, apply to the stock exchanges where the shares of the company are listed for the listing of the equity shares issued to the CDR lenders as a result of the conversion and get the same listed immediately; and
- (v) In the event, the CDR Lenders or any of the CDR Lender exercise its right to sell such shares issued in terms of the conversion their loan into equity share of the company, the CDR Lenders shall offer the right of first refusal (ROFR), to buy such shares, to the Promoter.

RESOLVED FURTHER THAT Director(s) of the Company and/or any person authorized by the board be and are hereby severally authorized to sign, execute, exchange necessary application, documents, papers etc and to do any other acts, things and deeds as may be required for the said purpose."

Item No. 10 **To approve the transaction/agreement to be entered between the Company and M/s Educomp Learning Private Limited, subsidiary of the company for the purchase of educational content from M/s Educomp Learning Private Limited**

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provision of Section 188 and any other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), and subject to such approval(s), consent(s), permission(s) and sanction(s) as may be necessary, the Consent of the Company be and is hereby accorded to enter into transaction/contract/agreement, with Educomp Learning Private Limited, subsidiary of the company, for the purchase of educational content on the following term(s) & condition(s):

S.no.	Contractee Party	Nature of Transactions	Contract Period	Contract value proposed (Amount in Rupees)
1	Educomp Learning Private Limited	Purchase of educational content from M/s Educomp Learning Private Limited	01.04.2014-31.03.2015	3 Crores
			01.04.2015-31.03.2016	3 Crores
			01.04.2016-31.03.2017	3 Crores

RESOLVED FURTHER THAT Board of Directors or any other person duly authorized by the board of directors be and are hereby severally authorized, to sign, execute, on behalf of the company, the aforesaid agreement and also authorized to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

Item No. 11 To approve the transaction/agreement to be entered between the Company and M/s Educomp Learning Private Limited, subsidiary of the company to use the part of the property bearing 1211, Padma Tower-1, 5 Rajendra Place, New Delhi-110008

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to provisions of Section 188 and any other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), and subject to such approval(s), consent(s), permission(s) and sanction(s) as may be necessary, the Consent of the Company be and is hereby accorded to enter into leave and license agreement, with Educomp Learning Private Limited, subsidiary of the company, to allow to use the part of the leased property bearing 1211, Padma Tower-1, 5 Rajendra Place, New Delhi-110008 on the following term(s) & condition(s):

S.no.	Period of Contract/agreement	Contract value proposed (Amount in Rupees)
1	For a period of 11 month w.e.f. 01 st September 2014, which shall be further renewed, at the option of the Licensee, for four more terms of 11 months each	The license fee shall be Rs. 10000/- per month (plus applicable taxes, if any) during the currency of the agreement, including on the renewal of the agreement.

RESOLVED FURTHER THAT Board of Directors or any other person duly authorized by the board of directors be and are hereby severally authorized, to sign, execute, on behalf of the company, the aforesaid agreement and also authorized to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

Item No. 12 To approve the agreement to be entered between the Company and Mr. Shantanu Prakash, related party to use the part of the property bearing Flat no. 35/1, H-Block, DLF Phase-1, Gurgaon

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 188 and any other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), and subject to such approval(s), consent(s), permission(s) and sanction(s) as may be necessary, the Consent of the Company be and is hereby accorded to enter into Leave and License agreement, with Mr. Shantanu Prakash, related party, to use the part of the property bearing Flat no. 35/1, H-Block, DLF Phase-1, Gurgaon on the following term(s) & condition(s):

S.no.	Period of Contract/agreement	Contract value proposed (Amount in Rupees)
1	For a period of 11 month w.e.f. 01 st January 2015, which shall be further renewed, at the option of the Licensee, for four more terms of 11 months each	(i) The license fee shall be Rs. 69,000/- per month (plus applicable taxes, if any) during the currency of the agreement, including on the renewal of the agreement. (ii) An amount of Rs. 1,38,000/- (Rupees One Lakh Thirty Eight Thousand Only) equivalent to Two (2) months rent as security deposit (interest free) and the same is refundable only at the time of vacation of the premises.

RESOLVED FURTHER THAT Board of Directors or any other person duly authorized by the board of directors be and are hereby severally authorized, to sign, execute, on behalf of the company, the aforesaid agreement and also authorized to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

Item No. 13 **To approve and ratify the agreement entered between the Company and M/s Educomp Learning Private Limited, subsidiary of the company**

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 1956 and also the applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), the members of the Company do hereby confirm, ratify and approve the contract entered with Educomp Learning Private Limited, subsidiary of the company, for availing the services relating to educational content during the period starting from 30.07.2013 to 29.07.2014 for the value not exceeding Rs. 5 Crores (Rupees Five Crores only) in accordance with the approval granted under Section 297 of the Companies Act 1956 by the Ministry of Corporate Affairs vide letter No. 4/398/T-1/2013/D/7405 dated 28th October, 2013.

RESOLVED FURTHER THAT the board of Director(s) of the company, be and are hereby severally authorized to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

Item No. 14 **To approve and ratify the agreement entered between the Company and M/s Learning Links Foundation, related party**

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 1956 and also the applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), the members of the Company do hereby confirm, ratify and approve the contract entered with Learning Links Foundation, for providing training to teachers/students in various state government schools during the period starting from 30.07.2013 to 29.07.2014 for the value not exceeding Rs. 6 Crores (Rupees Six Crores only) in accordance with the approval granted under Section 297 of the Companies Act 1956 by the Ministry of Corporate Affairs vide letter No. 4/397/T-1/2013/D/7404 dated 28th October, 2013.

RESOLVED FURTHER THAT the board of director(s) of the company, be and are hereby severally authorized to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

Item No. 15 **To approve the Leave and License agreement to be entered between the Company and M/s Educomp Learning Private Limited, subsidiary of the company for the property Plot no 85, NSEZ, Noida**

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 188 and any other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), and subject to such approval(s), consent(s), permission(s) and sanction(s) as may be necessary, the Consent of the Company be and is hereby accorded to enter into Leave and License agreement, with Educomp Learning Private Limited, subsidiary of the company, to use the part of property No. 85, NSEZ, Noida on the following term(s) & condition(s):

S.no.	Period of Contract/agreement	Contract value proposed (Amount in Rupees)
1	For a period of 11 month w.e.f. 01 st December 2014, which shall be further renewed, at the option of the Licensee, for four more terms of 11 months each	The license fee shall be Rs. 13750/- per month (plus applicable taxes, if any) during the currency of the agreement, including on the renewal of the agreement.

RESOLVED FURTHER THAT Board of Directors or any other person duly authorized by the board of directors be and are hereby severally authorized, to sign, execute, on behalf of the company, the aforesaid agreement and also authorized to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

Item No. 16 **To approve the Leave and License agreement to be entered between the Company and M/s Educomp Learning Private Limited, subsidiary of the company, for the property Flat no 204, 2nd Floor, Samparpan Premises, Co-Operative Society Ltd, New Link Road, Chakala, Andheri East, Mumbai- 400099**

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 188 and any other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), and subject to such approval(s), consent(s), permission(s) and sanction(s) as may be necessary, the Consent of the Company be and is hereby accorded to enter into Leave and License agreement, with Educomp Learning Private Limited, subsidiary of the company, to use the part of property Flat no 204, 2nd Floor, Samparpan Premises, Co-Operative Society Ltd, New Link Road, Chakala, Andheri East, Mumbai-400099 on the following term(s) & condition(s):

S.no.	Period of Contract/agreement	Contract value proposed (Amount in Rupees)
1	For a period of 11 month w.e.f. 01 st September 2014, which shall be further renewed, at the option of the Licensee, for four more terms of 11 months each	The license fee shall be Rs. 10000/- per month (plus applicable taxes, if any) during the currency of the agreement, including on the renewal of the agreement.

RESOLVED FURTHER THAT Board of Directors or any other person duly authorized by the board of directors be and are hereby severally authorized, to sign, execute, on behalf of the company, the aforesaid agreement and also authorized to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

Item No. 17 To approve the Leave and License agreement to be entered between the Company and M/s Edu Smart Services Private Limited, subsidiary of the company for the property Flat no 802, Padma Tower-1, 5 Rajendra Place, New Delhi-110008

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 188 and any other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), and subject to such approval(s), consent(s), permission(s) and sanction(s) as may be necessary, the Consent of the Company be and is hereby accorded to enter into Leave and License agreement, with Edu Smart Services Private Limited, subsidiary of the company, to allow to use the part of leased property 802, Padma Tower-1, 5 Rajendra Place, New Delhi-110008 on the following term(s) & condition(s):

S.no.	Period of Contract/agreement	Contract value proposed (Amount in Rupees)
1	For a period of 11 month w.e.f. 01 st July 2014, which shall be further renewed, at the option of the Licensee, for four more terms of 11 months each	The license fee shall be Rs. 15000/- (plus applicable taxes, if any) per month during the currency of the agreement, including on the renewal of the agreement.

RESOLVED FURTHER THAT Board of Directors or any other person duly authorized by the board of directors be and are hereby severally authorized, to sign, execute, on behalf of the company, the aforesaid agreement and also authorized to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

Item No. 18 To approve the Leave and License agreement to be entered between the Company and M/s Edu Smart Services Private Limited, subsidiary of the company, for the property Khasra No. 819, 1st Floor, K-2 Block, Near Apra Service Station Mahipalpur, New Delhi

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 188 and any other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), and subject to such approval(s), consent(s), permission(s) and sanction(s) as may be necessary, the Consent of the Company be and is hereby accorded to enter into Leave and License agreement, with Edu Smart Services Private Limited, subsidiary of the company, to allow to use the part of leased property Khasra No. 819, 1st Floor, K-2 Block, Near Apra Service Station Mahipalpur New Delhi on the following term(s) & condition(s):

S.no.	Period of Contract/agreement	Contract value proposed (Amount in Rupees)
1	For a period of 11 month w.e.f. 01 st July 2014, which shall be further renewed, at the option of the Licensee, for four more terms of 11 months each	The license fee shall be Rs. 5000/- (plus applicable taxes, if any) per month during the currency of the agreement, including on the renewal of the agreement.

RESOLVED FURTHER THAT Board of Directors or any other person duly authorized by the board of directors be and are hereby severally authorized, to sign, execute, on behalf of the company, the aforesaid agreement and also authorized to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

Item No. 19 To approve the Leave and License agreement to be entered between the Company and M/s Edu Smart Services Private Limited, subsidiary of the company, for the property Flat no 204, 2nd Floor, Samparpan Premises, Co-Operative Society Ltd, New Link Road, Chakala, Andheri East, Mumbai- 400099

To consider and, if thought fit to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Section 188 and any other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), and subject to such approval(s), consent(s), permission(s) and sanction(s) as may be necessary, the Consent of the Company be and is hereby accorded to enter into Leave and License agreement, with Edu Smart Services Private Limited, subsidiary of the company, to allow to use the part of leased property Flat no 204, 2nd Floor, Samparpan Premises, Co-Operative Society Ltd, New Link Road, Chakala, Andheri East, Mumbai-400099 on the following term(s) & condition(s):

S.no.	Period of Contract/agreement	Contract value proposed (Amount in Rupees)
1	For a period of 11 month w.e.f. 01 st July 2014, which shall be further renewed, at the option of the Licensee, for four more terms of 11 months each	The license fee shall be Rs. 10,000/- (plus applicable taxes, if any) per month during the currency of the agreement, including on the renewal of the agreement.

RESOLVED FURTHER THAT Board of Directors or any other person duly authorized by the board of directors be and are hereby severally authorized, to sign, execute, on behalf of the company, the aforesaid agreement and also authorized to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

**By Order of the Board
For Educomp Solutions Limited**

Date: May 26, 2014
Place: Gurgaon

**Sd/-
Shantanu Prakash
Managing Director
Director Identification Number:- 00983057**

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 read with Section 110 of the Companies Act, 2013 in respect of proposed special business (es) along with the Postal Ballot form setting out material facts are appended herein below.
2. Only a member who is entitled to vote is entitled to exercise his/her vote through postal ballot. The Notice is being sent to all the Members, whose names would appear in the Register of Members/ list of Beneficial Owners, received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited as on Friday, 20th June 2014.
3. The voting rights of Members shall be in proportion to their shares of the Paid up Equity Share Capital of the Company.
4. As per Rule(s) enumerated in Companies (Management and Administration) Rules 2014, details of dispatch of Notice and Postal Ballot Paper to the members will be published in one (1) English and one (1) Vernacular language newspaper circulating in the State in which the registered office of the company is situated.
5. Members(s) are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed in the attached self-addressed, prepaid postage envelope, so as to reach the Scrutinizer on or before the close of Business hours on 7th August 2014. Forms received after this date will be strictly treated as if the reply from the concerned member has not been received.
6. The postage will be borne and paid by the Company, however envelopes containing Postal Ballots, if sent by courier or by Registered Post at the expense of the Members will also be accepted. It is, however, clarified that members desiring to exercise their vote from outside of India will have to arrange for postage from the country where the ballot papers are dispatched to the Scrutinizer.
7. The Company is pleased to offer e-voting facility as an alternate, for all its Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. The member may opt for e-voting facility for giving their assent/dissent to the proposed resolution(s). In case a member desires to exercise his vote by using e-voting facility then he has to carefully follow the instructions as given for e-voting on the back side of the Postal Ballot Form. He can use the facility and log-in any number of times till he has voted on all the resolutions or till the end of the voting period (i.e. till the last date of receipt of Postal Ballots), whichever is earlier.

Members irrespective who have registered their e-mails for receipt of documents in electronic mode under the green initiative and wish to vote through Postal Ballot Form can seek duplicate Form from the Mr. Swapan Kumar Naskar, Address:- Link Intime India Private Limited, Register Transfer Agent (RTA), 44, Community Centre, Phase-I, Near PVR, Naraina Ind. Area, New Delhi-110028

Please note that any Postal Ballot Form received after the close of working Hours on 7th August 2014 will be treated as not having been received. The e-voting facility shall be disabled by NSDL accordingly.

8. The date of Declaration of Result of the Postal Ballot shall be deemed to be the date of the General Meeting and the date of passing of the proposed resolution(s).
9. The shareholders are requested to exercise their voting rights by using the attached postal ballot Form or through duplicate copy as provided by Registrar Transfer Agent (RTA).
10. The Company has appointed Mr. Abhishek Bansal, an advocate, to act as the Scrutinizer, for conducting the postal ballot process, in a fair and transparent manner.
11. All the material documents referred to in the Explanatory Statement, including but not limited to, such as resolutions of the Board of Directors and Nomination and Remuneration Committee, Memorandum and Articles of Association of the Company, will be made available for inspection, during business hours, of any working day, i.e. Monday to Friday, 10:00 A.M to 05:30 P.M, by the Members at the Registered Office of the Company from 9th July, 2014 to 7th August, 2014.
12. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny and the results of the voting by Postal Ballot will be announced on Monday, 11th August 2014 at 4:30 P.M. at the registered office of the Company situated at 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008. The results of the postal ballot along with the scrutinizer's report will also be displayed on the Company's website www.educomp.com and shall be communicated to the stock exchanges where the Company's shares are listed.
13. Members are hereby informed that pursuant to second proviso of Section 188 (1) of the Companies Act, 2013, no member of the company shall vote on such Special Resolution to approve any contract or arrangement which may be entered into by the company, if such member is a related party.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 1, 2 & 3

The Company, on time to time basis, makes investment(s), in one or more tranches, and/or gives loans to various companies including its subsidiaries as and when deem appropriate. The Company also provides corporate guarantees on behalf of the said companies to the banks/financial institutions for the financial assistance provided by them.

In terms of the provisions of the Section 372A of the Companies Act, 1956, the Shareholders of the company in their previous meeting(s) had accorded their consent to the Board of Directors for making a loan(s), or providing guarantee or making an investment by the Company from time to time into Educomp Infrastructure & School Management Limited; Edu Smart Services Private Limited and also to any other Body Corporate(s) (other than companies for which specific investment limit have been fixed and approved by the shareholders)

As per the provisions of Section 186 of the Companies Act, 2013, No company shall directly or indirectly (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty per cent. of its paid-up share capital, free reserves and securities premium account or one hundred per cent. of its free reserves and securities premium account, whichever is more. Where such giving of any loan or guarantee or providing any security or the acquisition exceeds the limits specified, under Section 186 of the Companies Act, 2013 prior approval by means of a special resolution passed at a general meeting is necessary.

In terms of the provisions Section 186 of the Companies Act, 2013 read with read with Companies (Meeting of Board and its Powers) Rules, 2014 the Director(s) of your company recommend the resolution(s) as set out under Item Nos. 1, 2 and 3 in this Notice for your approval by way of special resolution. Directors, Key Managerial Personnel and their relatives who are members of the Company, may be deemed to be concerned or interested in the Item No. 1, 2 and 3 of the accompanying notice to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company. In addition Mr. Shantanu Prakash, Managing Director of the company and Mr. Shonu Chandra, director of the company and also Mr. Jagdish Prakash, father of Mr. Shantanu Prakash holds directorship in Educomp Infrastructure & School Management Limited. Further, Mr. Shantanu Prakash, member and Managing Director of the company also holds, through himself and along with his relative, more than 2% shares in Educomp Infrastructure & School Management Limited.

Your approval is sought by voting through Postal Ballot or through e-voting as the case may be, pursuant to the provision of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 for passing the Resolution under Item No. 1, 2 and 3 as set in this Notice.

Item No. 4 & 5

The Company had earlier passed the Ordinary Resolutions under Section 293(1)(d) and 293(1)(a) of the Companies Act, 1956 for borrowing money in excess of the aggregate of paid-up share capital of the Company and its free reserves and for creation of mortgage, charge, hypothecation, lien and other encumbrances, if any, by the Company, as the Board may deem fit, on the assets of the Company, both present and future, for securing the sum or sums of moneys aggregating to Rs. 5000 crores (Rupees Five Thousand crores only). With the enactment of Companies Act, 2013 and rules

framed thereunder and as per provisions of the Sections 180(1)(a) and 180(1)(c) of the Companies Act, 2013 (corresponding to Section 293(1)(a) and 293(1)(d) of the Companies Act, 1956) with respect to creation of mortgage, charge, hypothecation, lien and other encumbrances, if any, or disposal of assets of the Company in any manner by the Company and to borrow money in excess of the aggregate of the paid-up share capital of the Company and its free reserves respectively, approval of the shareholders need to be obtained by way of Special Resolution.

As per the General Circular No. 04/2014 dated 25th March 2014 the resolution passed under Section 293 of the Companies Act, 1956 shall be valid for one year from the date of notification of Section 180 of the Companies Act, 2013. Accordingly, the approval of the members by way of Special Resolutions is sought under Sections 180(1)(c) and 180(1)(a) of the Companies Act, 2013 to enable the Board of Directors to borrow moneys and for securing the sum or sums of moneys borrowed to the extent of Rs. 5000 crores (Rupees Five Thousand crores only).

Your Directors recommend the resolutions as set out under Item Nos. 4 and 5 in this Notice for your approval by way of special resolution. Directors, Key Managerial Personnel and their relatives who are members of the Company, may be deemed to be concerned or interested in the Item No. 4 and 5 of the accompanying notice to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company.

Your approval is sought by voting through Postal Ballot or through e-voting as the case may be, pursuant to the provision of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 for passing the Resolution(s) under Item No. 4 and 5 as set in this Notice.

Item No. 6

The operations of the Company came under strain due to various external factors pertaining to the economy and industry, including adverse market conditions and liquidity constraints. As a result, the ability of the Company to meet its repayment obligations / liabilities under the various facilities availed by it were adversely affected and therefore the Company made a reference to corporate debt restructuring ("CDR") cell.

The Special Resolution as provided in Item No. 6 proposed to be passed by the members of Educomp Solutions Limited ("the Company") by way of a Special Resolution by postal ballot, is an authorization by the members of the Company, in terms of the applicable provision of Securities and Exchange Board of India to the scheme of corporate debt restructuring as set out in letter of approval dated February 28, 2014 ("CDR LOA"), and amended vide Review letter dated March 19, 2014 ("CDR RLOA"), issued by the Corporate Debt Restructuring Cell (**CDR Cell**) to the lenders whose loans are being restructured under the CDR Package (**CDR Lenders**) and the Master Restructuring Agreement, including amendment thereof, between the Company and the CDR Lenders (the "MRA")

Your Directors recommend the resolutions as set out under Item No. 6 in this Notice for your approval by way of special resolution. Directors, Key Managerial Personnel and their relatives who are members of the Company, may be deemed to be concerned or interested in the Item No. 6 of the accompanying notice to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company.

Your approval is sought by voting through Postal Ballot or through e-voting as the case may be, pursuant to the provision of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 for passing the Resolution under Item No. 6 as set in this Notice.

Item No. 7 & 8:

Employee Stock Options plans serve to align the interests of the employees with those of the shareholders by creating a common sense of purpose towards enhancing the shareholder value and also serve to attract and retain talent that is absolutely essential for the survival and growth of the Company in today's global competitive environment. Further, your Company's subsidiaries are of strategic importance in its growth plans. Stock options will support the objective of creating value for your Company in such subsidiaries.

Currently, the Company has six Stock Options Scheme namely ESOP Scheme 2006/2007/2008/2010/2011/2012. Since Stock options under the current schemes have almost exhausted, Board of Directors of your Company on 26th May 2014, recommended for the approval of the Members the formulation of a new Employee Stock Option Scheme under the nomenclature, 'Educomp Employee Stock Option Scheme 2014' (hereinafter referred to as "the ESOP Scheme-2014"), in accordance with the provisions of Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, as amended from time to time, (hereinafter referred to as "Guidelines"), for the employees of the Company and its Directors, and also for the employees including Managing Director/ Whole-Time Director of subsidiary companies of the Company as may be determined by the Board of Directors (hereinafter referred to as "the Board" which terms shall be deemed to include any committee including Nomination and Remuneration Committee of the Board).

The main features and other details including the disclosures pursuant to the requirements of the Guidelines are as under:

(i) Total number of Options to be granted

The maximum number of options to be Granted and the resulting equity shares that may be issued pursuant to the exercise of option in the ESOP Scheme 2014 shall not exceed 50,00,000 (Fifty lacs) options/ shares (or such other adjusted figure for any bonus, stock splits or consolidations or

other re-organization of the capital structure of the Company as may be applicable from time to time).

(ii) Identification of the Class of Employees Entitled to the Scheme

Employees entitled to participate in the ESOP are "Employees" including Directors (whether full time or not) as defined in the ESOP Guidelines (including any statutory modifications or re-enactment of the Act or the Guidelines, for the time being in force), of the Company and its subsidiaries, as may be decided by the Nomination and Remuneration Committee from time to time. Under the prevailing regulations, an Independent Director and /or an Employee who is a Promoter or belongs to the Promoter group will not be eligible to participate in the ESOP. Identification of Employees eligible to participate in the ESOP and grant of options to identified employees will be based on such parameters as may be decided by the Nomination and Remuneration Committee in its discretion from time to time.

(iii) Award of Options

The Nomination and Remuneration Committee may, on such dates as it shall determine, grant to such eligible Employees/Directors (other than Independent Director and/or Promoter directors) as it may in its absolute discretion, options of the Company on the terms and conditions and the consideration as it may decide.

(iv) Requirements and Period of Vesting

Except in case of demise or permanent incapacity, continuation of the Employee in the service of the Company or its subsidiaries, as the case may be, shall be a primary requirement of the vesting. The Nomination and Remuneration Committee shall formulate the other requirements of vesting, which may, inter alia, include efficiency or productivity criteria. The vesting period may vary from allottee to allottee based on various attending circumstances, and shall be at the exclusive discretion of the Nomination and Remuneration Committee, but shall never be less than the minimum vesting period stipulated, if any, under provisions of any attending statutory enactments.

The maximum vesting period of options shall be not more than ten years from the date of grant of options.

In the event of the death of an employee while in employment, all the options granted to him till such date shall vest in the legal heirs or nominees of the deceased employee, and in the event of permanent incapacity while in employment, all the options granted to him as on the date of permanent incapacitation shall vest in him on that date.

(v) Exercise Price

The Options would be granted at the market price on the date of grant or such price as the Board of Directors/Nomination and Remuneration Committee may determine in accordance with the Regulations and guidelines prescribed by SEBI or other relevant authority from time to time.

(vi) Exercise Period and the Process of Exercise

The exercise period will commence from the date of first vesting and will be valid for a maximum period of twelve months after the last vesting.. The options shall be deemed to have been exercised when an Employee makes an application in writing to the Company for the issuance of Equity Shares against the options vested in him.

After the expiry of exercise period, the options granted under ESOP Scheme shall not be exercisable and shall lapse. However, the lapsed options shall be available for fresh issue.

(vii) Appraisal Process for Determining the Eligibility of Employees

The appraisal process for determining the Employees to whom the option shall be granted, shall be based upon the performance of the Employees as indicated by the annual performance appraisal, minimum period of service, the status of the Employees in the Company and the present and potential contribution of the Employee to the success of the Company, and other factors deemed relevant by the Nomination and Remuneration Committee.

In case of Directors, the eligibility would depend on the period for which the office of Director is held by him and such other factors as the Nomination and Remuneration Committee may think appropriate. The Nomination and Remuneration Committee at its discretion may extend the benefits of the Scheme to a new entrant also.

(viii) Maximum Number of Options to be issued Per Employee/Directors

The maximum number of options granted to an employee/director shall not equal or exceed 1% of the issued capital of the Company at the time of grant of Option. However in case the number of options granted, during any one year, to any employee/ director exceeds 1% of the issued capital of the Company, then approval of shareholders by way of separate resolution in the general meeting shall be obtained by the Company.

The Maximum number of stock options that can be granted to non-executive directors, in any financial year shall be 5,00,000 (Five Lakh) stock options per Director.

(ix) Accounting Policies and Disclosures

The Company will confirm the disclosures and the accounting policies prescribed by SEBI under SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and other regulatory authorities from time to time.

(x) Method to be used to determine the Value of the Options

The Company shall use the intrinsic value method to value its options. The difference between the employee compensation cost computed under intrinsic value method and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors' Report and the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' Report.

The Company will confirm to the applicable accounting policies prescribed under the guidelines.

Clause 6 of the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 requires that any ESOP scheme offering stock options to the employees must be approved by the shareholders by way of special resolution. Furthermore, as the scheme will entail further shares to be offered to the person other than existing shareholders of the Company, consent of the shareholders is required by the way of a special resolution pursuant to the provisions of the Section 62 of the Companies Act, 2013.

In terms of the guidelines, a separate resolution is required to be passed if the benefits under the scheme are also to be extended to the employees of subsidiary companies. A resolution is proposed accordingly under item no. 8, to cover the Employees including Managing Director/ Whole-Time Director of subsidiary companies of the Company. The aggregate number of options to be offered to the employees of the subsidiaries under resolution no 8 will also be within the overall limit of 50,00,000 as stated above

Further Section 110 of the Companies Act, 2013 provides that if a resolution is assented to by a requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

Your Directors recommend the resolutions as set out under Item Nos. 7 and 8 in this Notice for your approval by way of special resolution. None of the Directors, manager, key managerial personnel of the Company, and any relatives of such director, manager, key managerial personnel are in anyway concerned or interested in the resolution except to the extent of Equity Shares held by them in the Company.

Your approval is sought by voting through Postal Ballot or through e-voting as the case may be, pursuant to the provision of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 for passing the Resolution(s) under Item No. 7 and 8 as set in this Notice.

Item No. 9

As per the Letter of Approval dated February 28, 2014 bearing reference number BY.CDR(SSA)/No.1079/2013-14 and amendment letter dated March 19, 2014 bearing reference number BY.CDR(SSA)/No.1143/2013-14 (collectively referred to as the "CDR LOA") and Master Restructuring Agreement dated 25th March 2014, as amended from time to time, entered inter-alia between the Company and the CDR Lenders, the CDR Lenders shall have a right to convert entire/part of defaulted interest and entire/part of defaulted principal of their Loans into Equity Shares as per SEBI guidelines, in the event of default.

In terms of provisions of the Letter of Approval, in the event of default in payment of the principal or interest thereon under the Scheme of Corporate Debt Restructuring approved by the Corporate Debt Restructuring Empowered Group (CDR EG) vide Letter of Approval, the Company shall require to make an allotment of such number of Equity Shares of the face value of Rs. 2/- (Rupees Two only) each to the CDR Lenders, which shall not exceed the amount of principal and interest outstanding as on the date of default, at a price as per the SEBI Rules and Regulations/Companies Act, 2013, Master Restructuring Agreement and subject to and in accordance with the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009, as amended from time to time

The conversion by the CDR Lenders shall be in accordance with the following conditions:

- (i) On receipt of the Notice of Conversion, the Company shall allot and issue the requisite number of fully paid-up equity shares to the CDR lenders and such CDR Lenders shall accept the same in satisfaction of the loans of the CDR Lenders so converted, as envisaged under the CDR LOA;
- (ii) The part of the said loans so converted shall cease to carry interest as from the date of conversion and the said loans shall stand correspondingly reduced. Upon such conversion, the repayment installments payable after the date of conversion as per the CDR LOA shall stand reduced proportionately by the amounts of the said loan so converted;
- (iii) The equity shares so allotted and issued to the CDR Lender(s) shall rank pari passu with the existing Equity Shares of the Company in all respects, inter-alia, the dividends and other distributions declared or to be declared in respect of the equity capital of the Company;
- (iv) In the event that the CDR Lenders or any of the CDR Lender exercise the conversion right as aforesaid, the Company shall, at its cost, apply to the stock exchanges where the shares of the company are listed for the listing of the equity shares issued to the CDR Lenders as a result of the conversion and get the same listed immediately; and
- (v) In the event, the CDR Lenders or any of the CDR Lender exercise its right to sell such shares issued in terms of the conversion their loan into equity share of the Company, the CDR Lenders shall offer the right of first refusal (ROFR), to buy such shares, to the Promoter.

In accordance with the provisions of the Companies Act, 2013, the company shall require to obtain the approval of shareholders by special resolution, for the conversion of the loan (including interest thereon) into equity shares of the company. In pursuance of the same, your Directors recommend the resolution at Item No. 9 of the Notice as Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the above resolution except to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company.

Your approval is sought by voting through Postal Ballot or through e-voting as the case may be, pursuant to the provision of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 for passing the Resolution(s) under Item No. 9 as set in this Notice.

Item No. 10, 11, 12, 15, 16, 17, 18 and 19

With the enactment of Companies Act, 2013 and rules framed thereunder and as per provisions of the Sections 188 of the Companies Act, 2013, approval of the shareholders is required to be obtained by way of Special Resolution for certain related party transactions prescribed therein.

In the light of the provisions of Section 188 of the Companies Act, 2013 read with Companies (Meeting of Board & its Powers) Rules, 2014, the Board of Directors have approved the following transactions as set out in item 10, 11, 12, 15, 16, 17, 18 and 19 for the approval of the shareholders by special resolutions.

Detailed information as required to be disclosed in terms of Section 188 of the Companies Act, 2013 read with Rule 15 of Companies (Meeting of Board & its Powers) Rules, 2014 are given below:

Sl. No	Information required to be Disclosed	(Item No.10)	(Item No.11)	(Item No. 12)	(Item No. 15)	(Item No.16)	(Item No.17)	(Item No.18)	(Item No.19)
a)	The name of the related party; name of the director or Key Managerial Personnel who is related, if any and nature of relationship	Name of the related party:- M/s Educomp Learning Private Limited Name of the director or Key Managerial Personnel who is related and Nature of Relationship:-(i) Subsidiary of Educomp Solutions Limited (ii) Mr. Shantanu Prakash, Managing Director of the company, holding more than 2% shares directly and also through his relatives who hold shares and directorship in Educomp Learning Private Limited	Name of the related party:- M/s Educomp Learning Private Limited Name of the Director or Key Managerial Personnel who is related and Nature of Relationship:-(i) Subsidiary of Educomp Solutions Limited (ii) Mr. Shantanu Prakash, Managing Director of the company, holding more than 2% shares directly and also through his relatives who hold shares and directorship in Educomp Learning Private Limited	Name of the related party:- Mr. Shantanu Prakash Name of the Director or Key Managerial Personnel who is related and Nature of Relationship:-(i) Mr. Shantanu Prakash is the Managing Director of the company and also holding along with his relatives, more than 2% shares in Educomp Solutions Limited.	Name of the related party:- M/s Educomp Learning Private Limited Name of the Director or Key Managerial Personnel who is related and Nature of Relationship:-(i) Subsidiary of Educomp Solutions Limited (ii) Mr. Shantanu Prakash, Managing Director of the company, holding more than 2% shares directly and also through his relatives who hold shares and directorship in Educomp Learning Private Limited	Name of the related party:- M/s Educomp Learning Private Limited Name of the Director or Key Managerial Personnel who is related and Nature of Relationship:-(i) Subsidiary of the Educomp Solutions Limited (ii) Mr. Shantanu Prakash, Managing Director of the company, holding more than 2% shares directly and also through his relatives who hold shares and directorship in Educomp Learning Private Limited	Name of the related party and nature of relationship:- M/s Edu Smart Services Private Limited, Subsidiary of the company	Name of the related party and nature of relationship:- M/s Edu Smart Services Private Limited, Subsidiary of the company	Name of the related party and nature of relationship:- M/s Edu Smart Services Private Limited, Subsidiary of the company

b)	The nature, duration of the contract and particulars of the contract or arrangement	As set out and provided in the resolution proposed	As set out and provided in the resolution proposed	As set out and provided in the resolution proposed	As set out and provided in the resolution proposed	As set out and provided in the resolution proposed	As set out and provided in the resolution proposed	As set out and provided in the resolution proposed	As set out and provided in the resolution proposed	As set out and provided in the resolution proposed
c)	The material terms of the contract or arrangement including the value, if any	As set out and provided in the resolution proposed	As set out and provided in the resolution proposed	As set out and provided in the resolution proposed	As set out and provided in the resolution proposed	As set out and provided in the resolution proposed	As set out and provided in the resolution proposed	As set out and provided in the resolution proposed	As set out and provided in the resolution proposed	As set out and provided in the resolution proposed

Your Directors recommend the resolutions as set out under Item Nos. 10, 11, 12, 15, 16, 17, 18 and 19 in this Notice for your approval by way of special resolution. None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the said resolutions except those director(s) whose interest as disclosed above.

Your approval is sought by voting through Postal Ballot or through e-voting as the case may be, pursuant to the provision of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 for passing the Resolution(s) under Item No. 10, 11, 12, 15, 16, 17, 18 and 19 as set in this Notice.

Item No. 13 & 14

The Company had filed two applications with the Regional Director, Ministry of Corporate Affairs, under Section 297 of the Companies Act, 1956, for entering into contract with Educomp Learning Private Limited and Learning Links Foundation.

Ministry of Corporate Affairs vide its letter Nos. 4/398/T-1/2013/D/7405 and 4/397/T-1/2013/D/7404 dated 28th October, 2013 has approved the contract entered with the Educomp Learning Private Limited and Learning Links Foundation, respectively, related parties as per the details mentioned below:

Name of the Related Party	Particulars of Contract	Period of Contract	Value not exceeding (Amount in Rupees)
Educomp Learning Private Limited	To enter into contract for availing the services relating to educational content provision from Educomp Learning Private Limited	30.07.2013 to 29.07.2014	Rs. 5 Crores (Rupees Five Crores only)
Learning Links Foundation	To enter into contract for providing training to teachers/students on behalf of Learning Links Foundation in various state government schools	30.07.2013 to 29.07.2014	Rs. 6 Crores (Rupees Six Crores only)

In terms of the aforesaid approval letter(s) your company requires to take the approval of the shareholders to the effect that:-

- The contract is competitive, at an arm's length without conflict of interest and is not less advantageous to it as compared to similar contracts with other parties and the company has not made default u/s 297 in the past 2 years and there is delayed in re-payment of debts; debentures and interest payable thereon and has filed its up to date Balance Sheet and Annual Returns with the Registrar of companies.
- The Contract is falling within the provisions of Section 297 of the Companies Act, 1956 and provisions of section 198, 269, 309, 314 and 295 of the Companies Act, 1956 are not applicable in the contract.
- The Company and its directors have complied with the provisions of Section 173, 287, 299, 300, 301 and other applicable provisions of the Companies Act, 1956.

Your Directors recommend the resolutions as set out under Item Nos. 13 and 14 in this Notice for your ratification and approval by way of special resolution. None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the said resolutions except Mr. Shantanu Prakash Managing Director of the company, holds more than 2% shares directly by himself and also through his relatives in Educomp Learning Private Limited and also his relative(s) holds directorship in Educomp Learning Private Limited and also interested in Learning Links Foundation in which his relative(s) are the trustee(s).

Your approval is sought by voting through Postal Ballot or through e-voting as the case may be, pursuant to the provision of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 for passing the Resolution(s) under Item Nos. 13 and 14 as set in this Notice.

**By Order of the Board
For Educomp Solutions Limited**

**Date: May 26, 2014
Place: Gurgaon**

**Sd/-
Shantanu Prakash
Managing Director
Director Identification Number:- 00983057**