Educomp™
What Learning Can Be

Date: 20-08-2011

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|---|---|
| Listing Department<br>National Stock Exchange of India Limited<br>Exchange Plaza, Plot no. C/1<br>G - Block, Bandra Kurla Complex,<br>Mumbai-51 | Corporate Service Department<br>Bombay Stock Exchange Limited<br>P.J Towers, Dalal Street<br>Mumbai – 1 |

**Sub: Proceeding of the Announcements of results of Postal Ballot**

Dear Sir/Mam,

Please find enclosed here with copy of the Minutes of the Announcements of results of Postal Ballot declared on 26th July 2011 at the Registered Office of the Company at 1211, Padma Tower 1, Rajendra place, New Delhi-110008 at 04.00 P.M

**For Educomp Solutions Limited**

**Mohit Maheshwari**
**Company Secretary**

**Educomp Solutions Limited**
**Corporate office: 514, Udyog Vihar, Phase III, Gurgaon – 122001, Haryana (INDIA).**
**Tel.: 91-124-4529000. Fax: 91-124-4529039.**
**Registered Office: 1211, Padma Tower I, 5, Rajendra Place, New Delhi-110008.**
**Tel.: 91-11-25755920. Fax: 91-11-25766775.**
Web site www.educomp.com
Bangalore, Mumbai, Chennai, Hyderabad.

## EDUCOMP SOLUTIONS LIMITED

**Minutes of the Announcements of results of the Postal Ballot On 26th July 2011 at the Registered Office of the Company as 1211, Padma Tower 1, Rajendra place, New Delhi-110008 at 04.00 P.M**

**Background:**

The Postal ballot Notice issued on 13th June, 2011, pursuant to the provisions of Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 for passing the following resolutions by postal ballot, was dispatched to the members of the Company on Thursday, June 23, 2011

| | |
|---|---|
| **Resolution No. 1: Special Resolution:** | Approval for Raising of funds under Sec. 81(1A) of the Companies Act, 1956 through issue of capital & restructuring of the outstanding USD 78.50 million Foreign Currency Convertible Bonds. |
| **Resolution No. 2: Special Resolution:** | Approval for Increase in Authorised Share Capital of the Company pursuant to Section 16, 94 of the Companies Act, 1956 and other applicable law. |
| **Resolution No. 3: Special Resolution:** | Approval of Educomp Employee Stock Option Scheme 2011 pursuant to Sec. 81(1A) of the Companies Act, 1956 and other applicable law. |
| **Resolution No. : Special Resolution:** | Approval of Educomp Employee Stock Option Scheme 2011 for directors /employees of Subsidiaries |

The Board of Directors by passing resolution by circulation on 13th June 2011 appointed Mr. Sanjay Grover F.C.A, F.C.S, Practicing Company Secretary as Scrutinizer to receive and scrutinize the completed ballot forms received from the members and for conducting the Postal ballot process in a fair and transparent manner. The postal ballot Forms and the self addressed business reply envelopes were also sent for use of Members. The Shareholders were requested to return the postal ballot forms duly completed along with the assent (for) or dissent (against), so as to reach the scrutinizer on or before Saturday, July 23, 2011.

After due scrutiny of all the postal ballot forms received by Mr. Sanjay Grover up to the close of working hours of Saturday, July 23, 2011 (being the last date fixed for return of the postal ballot forms duly filled in by the Members), Mr. Sanjay Grover submitted his report on Monday, July 25, 2011 which is as follows:

**Resolution No. 1: Special Resolution:**

**Approval for Raising of funds under Sec. 81(1A) of the Companies Act, 1956 through issue of capital & restructuring of the outstanding USD 78.50 million Foreign Currency Convertible Bonds.**

| Particulars | No. of Postal Ballot Forms | No. of Equity Shares | Paid-up value of the Equity Shares (In Rs.) | % of Total Paid-up Equity Capital |
|---|---|---|---|---|
| (a) Total Postal Ballot Forms Received | 922 | 6,86,34,833 | 13,72,69,666 | 71.518 |
| (b) Less : Invalid Postal Ballot Forms (as per register) | 59 | 4,845 | 9,690 | 0.005 |

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| | | | | |
|---|---|---|---|---|
| (c) Net Valid Postal Ballot Forms (as per Register) | 863 | 6,86,29,988 | 13,72,59,976 | 71.513 |
| (d) Postal Ballot Forms with assent | 820 | 6,31,77,273 | 12,63,54,546 (92.055%) | 65.832 |
| (e) Postal Ballot Forms with dissent | 43 | 54,52,715 | 1,09,05,430 (7.945%) | 5.682 |

**Resolution No. 2: Special Resolution:**

**Approval for Increase in Authorised Share Capital of the Company pursuant to Section 16, 94 of the Companies Act, 1956 and other applicable law.**

| Particulars | No. of Postal Ballot Forms | No. of Equity Shares | Paid-up value of the Equity Shares (In Rs.) | % of Total Paid-up Equity Capital |
|---|---|---|---|---|
| (a) Total Postal Ballot Forms Received | 922 | 6,86,34,833 | 13,72,69,666 | 71.518 |
| (b) Less : Invalid Postal Ballot Forms (as per register) | 59 | 4,845 | 9,690 | 0.005 |
| (c) Net Valid Postal Ballot Forms (as per Register) | 863 | 6,86,29,988 | 13,72,59,976 | 71.513 |
| (d) Postal Ballot Forms with assent | 828 | 6,33,94,733 | 12,67,89,466 (92.372) | 66.058 |
| (e) Postal Ballot Forms with dissent | 35 | 52,35,255 | 1,04,70,510 (7.628) | 5.455 |

**Resolution No. 3: Special Resolution:**

**Approval of Educomp Employee Stock Option Scheme 2011 pursuant to Sec. 81(1A) of the Companies Act, 1956 and other applicable law.**

| Particulars | No. of Postal Ballot Forms | No. of Equity Shares | Paid-up value of the Equity Shares (In Rs.) | % of Total Paid-up Equity Capital |
|---|---|---|---|---|
| (a) Total Postal Ballot Forms Received | 922 | 6,86,34,833 | 13,72,69,666 | 71.518 |
| (b) Less : Invalid Postal Ballot Forms (as per register) | 59 | 4,845 | 9,690 | 0.005 |
| (c) Net Valid Postal Ballot Forms (as per Register) | 863 | 6,86,29,988 | 13,72,59,976 | 71.513 |
| (d) Postal Ballot Forms with assent | 832 | 6,39,71,837 | 12,79,43,674 (93.213) | 66.660 |
| (e) Postal Ballot Forms with dissent | 31 | 4658151 | 93,16,302 (6.787) | 4.854 |

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**Resolution No. 4: Special Resolution:**

**Approval of Educomp Employee Stock Option Scheme 2011 for directors /employees of Subsidiaries**

| Particulars | No. of Postal Ballot Forms | No. of Equity Shares | Paid-up value of the Equity Shares (In Rs.) | % of Total Paid-up Equity Capital |
|---|---|---|---|---|
| (a) Total Postal Ballot Forms Received | 922 | 6,86,34,833 | 13,72,69,666 | 71.518 |
| **(b) Less :** Invalid Postal Ballot Forms (as per register) | 59 | 4,845 | 9,690 | 0.005 |
| (c) Net Valid Postal Ballot Forms (as per Register) | 863 | 6,86,29,988 | 13,72,59,976 | 71.513 |
| (d) Postal Ballot Forms with assent | 832 | 6,39,71,837 | 12,79,43,674 **(93.213)** | 66.660 |
| **(e) Postal Ballot Forms with dissent** | 31 | 46,58,151 | 93,16,302 **(6.787)** | 4.854 |

No Shareholder was present at the time of declaration of the results.

In the absence of Mr. Shantanu Prakash, Chairman of the Company, Mr. Mohit Maheshwari, Company Secretary under the authority of the Chairman, after receiving the scrutinizer's report announced that the Item Nos. 1 to 4 as set out in the Notice dated **13th June, 2011** are accordingly carried out by the requisite majority and directed that the resolutions be recorded in the minute book recording the proceedings of general meetings of the members.

The resolutions duly approved by the members are as under:

**Item No. 1. Special Resolution**

**Approval for Raising of funds under Sec. 81(1A) of the Companies Act, 1956 through issue of capital & restructuring of the outstanding USD 78.50 million Foreign Currency Convertible Bonds.**

(a). "**RESOLVED** that pursuant to Section 81(1A) and all other applicable provisions of the Companies Act, 1956 (including any modifications or re-enactments thereof, for the time being in force), subject to all applicable laws and in accordance with all relevant provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered into by the Company with the stock exchanges where the Company's shares are listed and subject to any necessary approval, consent, permission and/ or sanction of the Central Government, Reserve Bank of India and / or any other appropriate regulatory authorities, and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, or sanction, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "**Board**", which term shall be deemed to include any committee constituted by the Board or any person(s) authorized by the Board in this regard), the Company be and is hereby authorized to issue, offer and allot (including with provisions for reservation on firm and / or

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competitive basis, of such part of issue and for such categories of persons as may be permitted), in the course of one or more domestic or international offering(s) with or without Green Shoe option, to eligible investors (whether or not such investors are members of the Company, or whether or not such investors are Indian or foreign, including, without limitation, financial institutions, commercial banks, mutual funds, foreign institutional investors, multilateral and bilateral development financial institutions, venture capital funds, foreign venture capital investors and insurance companies), whether by way of a public offering or by way of a private placement and whether by way of circulation of an offering circular or registration statement or prospectus or placement document or otherwise, securities including equity shares and / or instruments or securities convertible into equity shares of the Company such as foreign currency convertible bonds, global depository receipts and / or American depository receipts and / or convertible preference shares and / or convertible debentures or bonds (compulsorily and / or optionally, fully and / or partly), and / or non-convertible debentures with warrants and/or securities with or without detachable / non-detachable warrants and / or warrants with a right exercisable by the warrant holder to subscribe for equity shares, or by any one or more or a combination of the above model/methods or otherwise, up to an amount of USD 250 million (hereinafter referred to as "**Securities**"), to be denominated in Indian rupees or foreign currency, as the case may be, which, at the option of the Company or the holders of the Securities may be surrendered for the purpose of cancellation against receipt of corresponding number of underlying equity shares of the Company, as the case may be, and such issue and allotment to be made in one or more tranche or tranches, on such terms and conditions as may be decided and deemed appropriate by the Board/Committee of Directors at the time of issue or allotment."

(b). "**RESOLVED FURTHER** that, in accordance with all applicable laws and in accordance with all relevant provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered into by the Company with the stock exchanges where the Company's shares are listed and subject to any necessary approval, consent, permission and/ or sanction of the Central Government, Reserve Bank of India and/ or any other appropriate regulatory authorities, and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, or sanction, and which may be agreed to by the Board, the Company be and is hereby authorized to restructure the USD 78.50 million outstanding foreign currency convertible bonds of the Company ("**Outstanding FCCBs**") either by amending the terms and conditions thereof, or issue new foreign currency convertible bonds to replace the Outstanding FCCBs which shall be in addition to the Securities proposed to be issued pursuant to the resolution set out in (a) above, up to an amount of USD 250 million, in accordance with a mechanism deemed appropriate by the Board, considering the prevailing market conditions and other relevant factors, wherever necessary in consultation with lead managers and / or other advisors, on such terms and conditions as may be decided and deemed appropriate by the Board."

(c). "**RESOLVED FURTHER** that for the purpose of giving effect to the aforesaid and following resolutions, the director on the Board be and are hereby authorized, jointly and severally, to do all such acts, deeds, matters and things as they may, in their absolute discretion deem necessary or desirable, including without limitation to settle any question, difficulty or doubt that may arise in regard to the offer, issue and allotment of the Securities."

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(d). **"RESOLVED FURTHER** that without prejudice to the generality of the above and subject to all applicable laws, the aforesaid issue of Securities may have all or any terms or combination of terms as are provided in issue of securities of such nature internationally and the Company be and is hereby authorized to enter into and execute all such arrangements / agreements as the case may be with any lead managers, managers, underwriters, advisors, guarantors, depositories, custodians and all such agencies as may be involved or concerned in such offerings or restructuring of Securities and to remunerate all such agencies including the payment of commissions, brokerage, fees or the like, and also to seek the listing of such Securities in one or more stock exchanges in India."

(e). **"RESOLVED FURTHER** that the relevant date on the basis of which price of the Securities or the resultant shares shall be determined as specified under applicable law, and in case of issuance of foreign currency convertible bonds and/ American depository receipts / global depository receipts, it shall be the date of the meeting in which the Board or Committee decides to open the proposed issue of Securities or foreign currency convertible bonds pursuant to restructuring of the Outstanding FCCBs, or in accordance with applicable law as amended from time to time."

(f). **"RESOLVED FURTHER** that the Board be and is hereby authorised to finalise and approve the offering circular or registration statement or prospectus or placement document or term sheets or agreements or deeds or otherwise in respect of the proposed issue and / or restructuring of the Securities and to authorise any director or directors of the Company or any other officer or officers of the Company to sign the above documents for and behalf of the Company together with the authority to amend, vary or modify the same as such authorised persons may consider necessary, desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates, consents and/or authorities as may, in the opinion of such authorised person, be required from time to time, and to arrange for the submission of the offering circular or registration statement or placement document or term sheets or agreements or deeds or otherwise, and any amendments and supplements thereto, with any applicable stock exchanges, government and regulatory authorities, institutions or bodies, as may be required."

(g). **"RESOLVED FURTHER** that the Board be and is hereby authorised to issue and allot such number of equity shares as may be required to be issued and allotted for the issue of the Securities referred to in paragraph (a) above or as may be necessary in accordance with the terms of the offering, all such equity shares being *pari passu* with the then existing equity shares of the Company in all respects."

(h). **"RESOLVED FURTHER** that the Board, be and is hereby authorised to do all such acts, deeds and things the Board, in its absolute discretion deems necessary or desirable in connection with the issue of the Securities and to give effect to these resolutions, including, without limitation, the following:

(i) sign, execute and issue all documents necessary in connection with the issue of the Securities and / or restructuring of the Outstanding FCCBs, including listing applications to stock exchanges, in India and overseas, and various agreements, undertakings, deeds, declarations;

(ii) giving or authorising the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time; and

(iii) settling any questions, difficulties or doubts that may arise in regard to any such issue or allotment and / or restructuring of Securities as it may in its absolute discretion deem fit."

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(i). "**RESOLVED FURTHER** that the Board, be and is hereby authorized to delegate all the above powers and authorities to any person or persons or committee of the Board, as it in its absolute discretion deems fit, in connection with the issue of Securities and / or restructuring of the Outstanding FCCBs, and to give effect to the above resolutions."

**Item No. 2 Passed as SPECIAL RESOLUTION**

**Approval for Increase in Authorised Share Capital of the Company pursuant to Section 16, 94 of the Companies Act, 1956 and other applicable law.**

"**RESOLVED THAT** pursuant to the provisions of Section 16, 94 and other applicable provisions, if any, of the Companies Act, 1956 and the Article 4 of the Article of Association of the Company, the Authorized Share Capital of the Company be and is hereby increased from Rs. 25,00,00,000/- (Rupees Twenty Five Crore) divided into 12,50,00,000 ( Twelve Crore Fifty Lakh ) equity shares of Rs. 2/- ( Rupees Two) each to Rs. 30,00,00,000/- (Rupees Thirty Crore) divided into 15,00,00,000 (Fifteen Crore) equity shares of Rs.2/-(Rupees Two) each by creation of additional 2,50,00,000 ( Two Crore Fifty Lakh ) equity shares of Rs. 2/-(Rupees Two) each ranking pari passu in all respect with the existing equity shares."

**RESOLVED FURTHER THAT** Clause V (Capital Clause) in the Memorandum of Association of the Company be and is hereby altered by substituting the same with the following:

V. The Authorised Share capital of the company is Rs. 30,00,00,000 (Rupees Thirty Crore) divided into 15,00,00,000 (Fifteen Crore ) equity shares of Rs.2/- (Rupees Two) each.

**RESOLVED FURTHER** that the Board of Directors (including any Committee of the Board constituted or hereinafter constituted) be and are hereby severally authorized to do all such acts and things and execute and deliver such deeds, forms, documents, writings or papers as may be necessary, including for the listing of the equity shares so issued, to the Securities and Exchange Board of India, Registrar of Companies, Reserve Bank of India, Bombay Stock Exchange Limited, The National Stock Exchange of India Limited, National Securities Depository Limited, Central Depository Services Limited, authorised dealers or any other governmental or regulatory authority and to do all other acts, deeds, things as may be required to give effect to the above resolution"

**Item No 3. Passed as SPECIAL RESOLUTION:**

**Approval of Educomp Employee Stock Option Scheme 2011 pursuant to Sec. 81(1A) of the Companies Act, 1956 and other applicable law.**

"**RESOLVED THAT** pursuant to provisions of the Section 81(1A) and other applicable provisions of the Companies Act,1956 Memorandum and Articles of Association of the Company and the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines,1999, 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 and approval of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which terms shall be deemed to include any committee including Remuneration committee of the Board) to frame the proposed ESOP Scheme 2011 and to create, issue, offer and allot in one or more tranches under the said proposed ESOP Scheme 2011 at any time to or for the benefit of employees and directors (except promoter directors and their relatives) of the

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Company 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 10,00,000 (Ten Lacs only) options 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 Board be and is hereby authorized to formulate, evolve, decide upon and bring into effect any scheme(hereinafter referred to as "the ESOP Scheme-2011") 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-2011

**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** the Board be and is hereby authorized to take necessary steps for listing of the securities allotted under the ESOP Scheme-2011 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 4. Passed as SPECIAL RESOLUTION:**

**Approval of Educomp Employee Stock Option Scheme 2011 for directors /employees of Subsidiaries**

"RESOLVED THAT the benefits of the Employee Stock Option Scheme proposed under Resolution No. 3 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 Remuneration committee of the Board)

**New Delhi**
**Date** 12-08-2011

**Shantanu Prakash**
**Chairman**

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