

EEL\SEC\016\2012-13

June 2, 2012

The Manager
Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051.

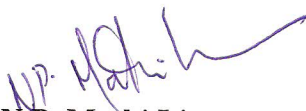
Dear Sir/Madam,

Sub: Notice for EGM dated 29th June 2012

Pursuant to Clause 31 (e) of the Listing Agreement we are forwarding herewith three copies of the Notice for the forthcoming Extra-ordinary General Meeting of the shareholders scheduled to be held on 29th June 2012.

Thanking you,

For Everonn Education Limited


N.P. Mathi Lingan
Company Secretary

Encl.: As above

Everonn Education Limited

Regd Office: No.82, IV Avenue, Ashok Nagar, Chennai – 600 083.

Corp. Off: 'Everonn House', 96-99, Perungudi Industrial Estate, Perungudi, Chennai - 600 096

NOTICE OF EXTRA-ORDINARY GENERAL MEETING

NOTICE is hereby given that the Extra-ordinary General Meeting of the Members of Everonn Education Limited will be held at 09.30 A.M on Friday, the 29th June, 2012 at "Beach Park" #2/226, Chinnandikuppam Road, Vettuvankeni, Chennai - 600 041 to transact the following business:

1. Adoption of New Revised set of Articles of Association in place of existing Article:

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 31 and other applicable provisions, if any, of the Companies Act, 1956 or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) the existing Articles of Association of the Company be and are hereby substituted by a new set of Articles of Association, a draft of which has been initialed by the Chairman, be and is hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the Articles hereof."

"RESOLVED FURTHER THAT Mrs. Susha John, Whole Time Director of the company and Mr. N P Mathi Lingam, Company Secretary be and are hereby severally authorized to make necessary filings with the statutory authorities, including but not limiting to the Registrar of Companies and Stock exchanges that may be required to give effect to the alteration of the Articles of Association in accordance with this resolution."

2. **UTILIZATION OF SECURITIES PREMIUM AND CAPITAL RESERVE**

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution i.e Resolution for utilization of Securities Premium and Capital Reserve:

"RESOLVED THAT pursuant to the provisions of Sections 78 (which requires to consider reducing Securities Premium as if it were reducing share capital) and Sections 100 to 104 and other applicable provisions, if any, of the Companies Act, 1956, the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company and subject to the sanction/confirmation by the Hon'ble High Court of Madras and any other appropriate authorities, institutions or bodies, and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/or sanction, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term also includes a committee thereof for the time being exercising the powers conferred by the Board by this resolution), the Board be and is hereby authorized on behalf of the Company to use the amount, not exceeding Rs. 150 Crores standing to the credit of Securities Premium Account of the Company as on 31st Mar, 2012 for "Permitted Utilizations", as set out in detail in the explanatory statement hereto.

"RESOLVED FURTHER THAT the amount not exceeding Rs. 150 Crores standing to the credit of Securities Premium Account of the Company as on 31st Mar, 2012 be transferred, as deemed fit by the Board from time to time, to a special reserve viz. "Business Restructuring Reserve" and its utilization thereof as referred to above may be effected as deemed fit by the Board from time to time."

"RESOLVED FURTHER THAT upon the resolution becoming effective consequent to confirmation of the same by the Hon'ble High Court of Madras and registration of the order of confirmation by the Registrar of Companies,

Chennai the Board may from time to time at its discretion make such permitted utilizations in the books of the Company commencing from April 1, 2011."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable and furnish such clarification and details that may arise in regard to the subject matter of the above resolution as it may in its absolute discretion deem fit and proper."

By order of the Board
For Everonn Education Limited

Sd/-

Susha John
CEO & Whole-time Director

Place: Chennai

Date: 14th May, 2012

NOTES :

1. The explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of the above-mentioned businesses is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The instrument appointing the proxy, to be effective, must be duly filled, stamped and signed and must reach the registered office of the Company not less than 48 hours before the scheduled commencement of the meeting.
4. Members/proxies should bring the attendance slip sent herewith duly filled in for attending the Meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members are requested to notify the Registrar and Share Transfer Agents – M/s. Cameo Corporate Services Limited, Subramaniam Building, No.1, Club House Road, Chennai - 600002 of any change in their addresses so as to enable the Company to address future communications to their correct addresses.
7. Members who wish to get any further information as regards the items to be transacted at the meeting are requested to write to the Company Secretary at an early date so as to enable the management to reply at the meeting.
8. The draft of the amended Articles of Association of the Company referred to in the proposed resolution in this notice is open for inspection at the Corporate Office of the Company on all working days except Public Holidays, Saturdays and Sundays between 3.00 p.m. and 5.00 p.m. up to the date of the extraordinary general meeting and will also be placed before the Extraordinary General Meeting.

By order of the Board
For Everonn Education Limited

Sd/-

Susha John
CEO & Whole-time Director

Place: Chennai

Date: 14th May, 2012

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

Item No. 1

Object of the Resolution: Amendment of the Articles of Association of the Company to reflect the rights of the shareholders, inter se subsequent to the induction of Varkey Group Limited and Gems Education (Asia) 1 Limited as co-promoters of the Company.

Purpose of the Resolution: The Company has allotted 26,18,120 equity shares to Varkey Group Limited (VGL) on 16 December 2011 under a memorandum of understanding executed between the Company, VGL and SKIL Infrastructure Limited on 19 September 2011. Pursuant to this allotment, VGL has been inducted as a co-promoter of the Company. In accordance with the SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997, VGL, along with Gems Education (Asia) 1 Limited (GEMS), Mr Sunny Varkey and Mrs Sherly Varkey made an open offer to the shareholders of the Company for the acquisition of their shares at the price of Rs 528 per share. In accordance with the terms and conditions of a letter of offer dated 5th December 2011, GEMS acquired 44,93,962 equity shares from the shareholders of the Company and was inducted as a co-promoter of the Company. The principal terms of the memorandum of understanding which were also reflected in the letter of offer including takeover of the management and control of the Company by Varkey Group Limited and the rights and obligations of the shareholders inter-se are required to be reflected in the Articles of Association. The approval of the members is required to amend the Articles of Association of the Company.

A copy of the new set of Articles of Association as referred to in the notice/ explanatory statement are available for inspection at the corporate office of the Company between 3:00 P.M. and 5:00 P.M. on any working day.

Your directors recommend that the resolution be passed as a Special Resolution by the members.

None of the directors of the Company is, in any way, concerned or interested in the said resolution.

Item No. 2

Your Company has grown over the past few years by procuring various orders from the Central and State Government organisations. This has helped the Company in achieving its present business volume. Today, the Company is a leading provider of a variety of services to the Education sector.

Since inception the Company has invested in its 15 subsidiaries and the said subsidiaries are still in the process of adding value to the investments made by the Company.

In the recent times, due to the economic and financial issues in the respective states and the statutory bodies, the execution and implementation of orders have been seriously affected and significantly delayed. This has resulted in creation of assets and concurrent liabilities which are not generating adequate cash flows commensurate with the carrying value of the assets.

The effect of the above and an overall reduction in the Business volume of the Company from its new acquisitions / subsidiaries has resulted in impairment / diminution in value of assets in the Company and investments held by the Company in its subsidiaries.

The Board feels it appropriate that, post the change in promoter and Management of the company, which has brought in a fresh perspective to the business affairs of the Company, the assets and investments be carried at the current fair value in the financial statements.

Creation of the Business Restructuring Reserve (BRR) and utilisation of the same will enable the Company to achieve the said objective.

Section 78(1) of the Companies Act, 1956 ("the Act"), provides that the utilization of the Securities Premium Account for purposes other than those specified in Section 78(2) of the Act requires compliance with the provisions of the Act relating to reduction of Capital. Accordingly, the resolution envisages utilization of certain balances as stated therein for "Permitted Utilizations" as described below, which are not of the nature specified under section 78(2) of the Act.

"Permitted Utilizations" includes inter-alia, the following items in the stand alone financial statements and consolidated financial statements of the Company ("Financial Statements"):

- (a) Diminution in the value of investments in subsidiary(ies) of the Company, and consequent impairment of goodwill and accumulated losses to such subsidiaries on consolidation, in the Financial Statements of the Company;
- (b) Any unrealizable Debtors, loans and/or advances, whether recoverable in cash or in kind, of the Company;
- (c) Any write-off towards obsolete or unrealizable assets, whether tangible or intangible or fixed or current;
- (d) Any amounts incurred, from time to time, as redundancy costs in the nature of expenses and costs incurred towards and arising out of involuntary separation of employees.
- (e) Any amounts incurred for focused & advanced research and development of the Company's products portfolio from time to time, as may be determined by the Board;
- (f) Any amounts incurred for specialized marketing services, business consulting, strategic advisory services, directly or indirectly for its products portfolio from time to time, as may be determined by the Board;
- (g) Any amounts incurred in connection with litigation involving the Company, including damages, lawyers' fee, which have arisen from the past mergers/acquisitions made by the Company.
- (h) Any impairment, amortization and/or write-off of goodwill;
- (i) Any impairment/diminution/realization losses, if any on investments other than as mentioned in sub-clause (a) above, whether current or long-term or quoted or unquoted, or trade or non-trade;
- (j) Such other impairments, write-offs, adjustments, expenses, costs, appropriations etc. as considered necessary by the Board from time-to-time.

As per section 78 of the Companies Act, 1956, reduction of the Securities Premium Account other than in the manner set out therein requires the procedure for reduction of share capital to be followed. Hence, the special resolution is placed before the shareholders for approval. The resolution further requires the confirmation of the Hon'ble High Court of Madras for which purpose the necessary petition will be filed.

The aforesaid reduction will not result in any diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital.

The proposed resolution does not in any way violate, override or circumscribe the provisions of securities laws or the stock exchange requirements.

The proposed resolution does not alter the shareholding pattern of the Company.

None of the Directors are in any way interested or concerned in the resolution.

Your Directors, therefore, recommend the resolution to be passed as a Special Resolution by the members.

By order of the Board
For Everonn Education Limited

Sd/-
Susha John
CEO & Whole-time Director

Place: Chennai
Date: 14th May, 2012

EVERONN EDUCATION LIMITED

Regd Office: No.82, IV Avenue, Ashok Nagar, Chennai – 600 083.

everonn**ATTENDANCE SLIP**

Please hand over this admission slip at the entrance of the meeting hall.

NAME AND ADDRESS OF THE SHARE HOLDER

Folio No. / DPID – Client ID

NAME OF THE PROXY (IN CAPITAL LETTERS)

No. of Shares held

EXTRA-ORDINARY GENERAL MEETING29th June, 2012 at 9:30 A.M.

"Beach Park"

#2/226, Chinnandikuppam Road,

Vettuvankeni,

Chennai- 600 041

I hereby record my presence at the meeting.

Signature of Member / Proxy

EVERONN EDUCATION LIMITED

Regd Office: No.82, IV Avenue, Ashok Nagar, Chennai – 600 083.

everonn**PROXY FORM**

I / We of

..... in the district

of

..... or failing him

..... in the district of

..... as my / our Proxy to vote

for me / us and my / our behalf at the Extra-Ordinary General Meeting of the Company to be held on Friday, 29th June, 2012 at 9:30 A.M. and at any adjournment thereof.

Signed this day of 2012.

Proxy form must reach company's registered office not late than 48 hours before the commencement of the meeting.

Proxy No.

Date of Receipt

Affix Re.1/-
Revenue Stamp
Signature