

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

Notice of Annual General Meeting

NOTICE is hereby given that Twenty first Annual General Meeting of the Members of **Educomp Solutions Limited** ("the Company") will be held on Monday, 28th September, 2015 at 4:00 P.M. at Sri Sathya Sai international Center, Pragati Vihar, Lodhi Road, New Delhi- 110003 to transact the following businesses:

ORDINARY BUSINESS:**ITEM NO. 1:**

To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2015, including Balance Sheet as at 31st March, 2015 and Statement of Profit & Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

ITEM NO. 2:

To appoint a Director in place of Mr. Vinod Kumar Dandona (DIN: 06730804), who retires from office by rotation, and being eligible, offers himself for re-appointment

ITEM NO. 3:

To ratify the appointment of Statutory Auditors of the Company and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 and Section 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, as amended from time to time, (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to the recommendations of the Audit Committee, the appointment of M/s. Haribhakti & Co. LLP, Chartered Accountants (Firm Registration No. 103523W), as the Statutory Auditors of the Company be and is hereby ratified by the members of the Company from the conclusion of this Annual General Meeting till the conclusion of the 22nd Annual General Meeting of the Company to be held in the year 2016, at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS**ITEM NO. 4**

TO APPROVE THE WAIVER OF THE RECOVERY OF REMUNERATION OF MR. SHANTANU PRAKASH (DIN: 00983057), CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY AND IN THIS REGARD 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 197 and Schedule V of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and including the provisions of previous companies law and Rules made there under to the extent applicable and subject to the approval of the Central Government, the approval of the members of the Company be and is hereby accorded to waive the recovery of refundable managerial remuneration of Rs. 1,40,88,456/- (Rupees One Crore Forty Lacs Eighty Eight Thousand Four Hundred Fifty Six Only) paid to Mr. Shantanu Prakash, Chairman & Managing Director of the Company during the period from 01st April 2012 to 31st March 2013, due to inadequate profits/loss during the financial year 2012-13;

RESOLVED FURTHER THAT the Company do make application to the Central Government for approval and accept any amendment, alteration, addition, deletion or modification to any of the terms and conditions relating to the waiver of excess remuneration paid to Mr. Shantanu Prakash, Chairman & Managing Director of the company, as may be suggested or advised or directed by the Central Government and acceptable to Mr. Shantanu Prakash;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard and to appear, represent the company before the appropriate authority and to sign, verify, execute, submit, collect, amend on behalf of the company any document, application, affidavit, undertaking, power of attorney and other papers as may be required in this regard and to authorize, appoint, nominate any advocate, practicing Company Secretary or any other person to represent the company and to do all such acts, things, deeds, as may be incidental and necessary thereto".

ITEM NO. 5

TO APPROVE THE REMUNERATION OF MR. SHANTANU PRAKASH (DIN: 00983057), CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY FOR THE PERIOD FROM 01ST APRIL 2013 TO 31ST JULY 2014 AND IN THIS REGARD 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 196, 197 and Schedule V to the Companies Act, 2013 ("the Act") read with Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rules made there under to the extent applicable and provisions of the Articles of Association of the Company and subject to approval of the Central Government or any other approval, as may be required, under any other enactment or law for the time being in force, if any, the consent of members of the Company be and is hereby accorded for the payment of remuneration of Rs. 11,74,038/- (Rupees Eleven Lacs Seventy Four Thousands Thirty Eight only) per month (consisting of consolidated salary, various allowances, perquisites, all other benefits and performance incentive) to Mr. Shantanu Prakash, Chairman & Managing Director of the Company for the period of 01.04.2013 to 31.07.2014, and the said remuneration limit inter-alia consisting of, but not limited to, the following basic features:

(A) Basic Salary: Rs. 4,00,000/- to Rs. 8,00,000/- per month

(B) Special Allowances: As may be decided by the Board from time to time which shall not be counted for calculation of provident fund, gratuity, superannuation fund etc.

Commission: up to 1% of the net profits as may be decided by Board from time to time.

Allowances/Perquisites:

1. House Rent Allowances (HRA) :
Either HRA will be provided to the extent of 65% of Basic Salary or Director will be provided rent-free accommodation.
2. Medical Reimbursement: As per rules of the company
3. Allowances for purchase of Books/Journals/Periodicals: As per rules of the company
4. Leave Travel Allowances: As per rules of the company
5. Helper Allowances: As per rules of the company
6. Gratuity, Ex-gratia/Bonus, Superannuation or annuity funds benefits, chauffeur driven car, free telephone including mobile telephone, internet and computer facility at the residence, Helper/Assistant as per Company's Policy and rules.

RESOLVED FURTHER THAT in the event of there being loss or inadequacy of profits in any financial year during the tenure of Mr. Shantanu Prakash, Chairman & Managing Director of the Company, subject to approval of Central Government and all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, the Company shall pay him the remuneration as specified above as Minimum remuneration;

RESOLVED FURTHER THAT Mr. Shantanu Prakash shall also be entitled to reimbursement of all legitimate expenses incurred by him in performance of his duties and such reimbursement will not be a part of his remuneration;

RESOLVED FURTHER THAT the Board of Directors (which term shall always be deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) be and is hereby authorised to vary or increase the remuneration specified above from time to time, to the extent the Board of Directors may deem appropriate provided that such variation or increase, as the case may be, is within the overall limits as specified under the relevant provisions of the Companies Act, 2013 and/ or as approved by the Central Government or such other competent authority;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard and to appear, represent the company before the appropriate authority and to sign, verify, execute, submit, collect, amend on behalf of the company any form, document, application, affidavit, undertaking, power of attorney and other papers as may be required in this regard and to authorize, appoint, nominate any advocate, practicing Company Secretary or any other person to represent the company and to do all such acts, things, deeds, as may be incidental and necessary thereto”.

ITEM NO. 6

TO APPROVE THE REMUNERATION OF MR. SHANTANU PRAKASH (DIN: 00983057), CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY FOR THE PERIOD OF THREE YEARS FROM 01ST AUGUST 2014 AND IN THIS REGARD 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 196, 197 and Schedule V to the Companies Act, 2013 read with Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rules made there under to the extent applicable and provisions of the Articles of Association of the Company and subject to approval of the Central Government or any other approval, as may be required, under any other enactment or law for the time being in force, if any, the consent of members of the Company be and is hereby accorded for the payment of remuneration of Rs. 11,74,038/- (Rupees Eleven Lacs Seventy Four Thousands Thirty Eight only) per month (consisting of consolidated salary, various allowances, perquisites, all other benefits and performance incentive) to Mr. Shantanu Prakash, Chairman & Managing Director of the Company, for the period of 3 years from 01.08.2014 to 31.07.2017, and the said remuneration limit inter-alia consisting of, but not limited to, the following basic features:

(A) Basic Salary: Rs. 4,00,000/- to Rs. 8,00,000/- per month

(B) Special Allowances: As may be decided by the Board from time to time which shall not be counted for calculation of provident fund, gratuity, superannuation fund etc

Commission: up to 1% of the net profits as may be decided by Board from time to time.

Allowances/Perquisites:

1. House Rent Allowances (HRA) :
Either HRA will be provided to the extent of 65% of Basic Salary or Director will be provided rent-free accommodation.
2. Medical Reimbursement: As per rules of the company
3. Allowances for purchase of Books/Journals/Periodicals: As per rules of the company
4. Leave Travel Allowances: As per rules of the company
5. Helper Allowances: As per rules of the company
6. Gratuity, Ex-gratia/Bonus, Superannuation or annuity funds benefits, chauffeur driven car, free telephone including mobile telephone, internet and computer facility at the residence, Helper/Assistant as per Company's Policy and rules.

RESOLVED FURTHER THAT in the event of there being loss or inadequacy of profits in any financial year during the tenure of Mr. Shantanu Prakash, Chairman & Managing Director of the Company, subject to approval of Central Government and all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, the Company shall pay him the remuneration as specified above as Minimum remuneration;

RESOLVED FURTHER THAT Mr. Shantanu Prakash shall also be entitled to reimbursement of all legitimate expenses incurred by him in performance of his duties and such reimbursement will not be a part of his remuneration;

RESOLVED FURTHER THAT the Board of Directors (which term shall always be deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) be and is hereby authorised to vary or increase the remuneration specified above from time to time, to the extent the Board of Directors may deem appropriate provided that such variation or increase, as the case may be, is within the overall limits as specified under the relevant provisions of the Companies Act, 2013 and/ or as approved by the Central Government or such other competent authority;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard and to appear, represent the company before the appropriate authority and to sign, verify, execute, submit, collect, amend on behalf of the company any form, document, application, affidavit, undertaking, power of attorney and other papers as may be required in this regard and to authorize, appoint, nominate any advocate, practicing Company Secretary or any other person to represent the company and to do all such acts, things, deeds, as may be incidental and necessary thereto”.

ITEM NO. 7

TO APPROVE THE WAIVER OF THE RECOVERY OF REMUNERATION PAID TO MR. JAGDISH PRAKASH (DIN: 00001115), WHOLE TIME DIRECTOR OF THE COMPANY DURING FINANCIAL YEAR 2012-13 AND IN THIS REGARD 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 197 and Schedule V of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and including the provisions of previous companies law and Rules made there under to the extent applicable and subject to the approval of the Central Government, the approval of the members of the Company be and is hereby accorded to waive the recovery of refundable managerial remuneration of Rs. 50,00,004/- (Rupees Fifty Lacs and four only) paid to Mr. Jagdish Prakash, Whole Time Director of the Company during the period from 01st April 2012 to 31st March 2013, due to inadequate profits/loss during the financial year 2012-13;

RESOLVED FURTHER THAT the Company do make application to the Central Government for approval and accept any amendment, alteration, addition, deletion or modification to any of the terms and conditions relating to the waiver of excess remuneration paid to Mr. Jagdish Prakash, Whole Time Director of the company, as may be suggested or advised or directed by the Central Government and acceptable to Mr. Jagdish Prakash;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard and to appear, represent the company before the appropriate authority and to sign, verify, execute, submit, collect, amend on behalf of the company any document, application, affidavit, undertaking, power of attorney and other papers as may be required in this regard and to authorize, appoint, nominate any advocate, practicing Company Secretary or any other person to represent the company and to do all such acts, things, deeds, as may be incidental and necessary thereto”.

ITEM NO. 8

TO APPROVE THE WAIVER OF THE RECOVERY OF REMUNERATION OF MR. VINOD KUMAR DANDONA (DIN: 06730804), WHOLE TIME DIRECTOR OF THE COMPANY AND IN THIS REGARD 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 197 and Schedule V of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and including the provisions of previous companies law and Rules made there under to the extent applicable and subject to the approval of the Central Government, the approval of the members of the Company be and is hereby accorded to waive the recovery of refundable managerial remuneration of Rs. Rs. 37,59,743/- (Rupees Thirty Seven Lacs Fifty Nine Thousand Seven Hundred Forty Three only) paid to Mr. Vinod Kumar Dandona, Whole Time Director of the Company during the period from 13.11.2013 to 31.05.2015 due to inadequate profits/loss during the financial year 2013-14 to 2015-16;

RESOLVED FURTHER THAT the Company do make application to the Central Government for approval and accept any amendment, alteration, addition, deletion or modification to any of the terms and conditions relating to the waiver of excess remuneration paid to Mr. Vinod Kumar Dandona, Whole Time Director of the company, as may be suggested or advised or directed by the Central Government and acceptable to Mr. Vinod Kumar Dandona;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard and to appear, represent the company before the appropriate authority and to sign, verify, execute, submit, collect, amend on behalf of the company any document, application, affidavit, undertaking, power of attorney and other papers as may be required in this regard and to authorize, appoint, nominate any advocate, practicing Company Secretary or any other person to represent the company and to do all such acts, things, deeds, as may be incidental and necessary thereto”.

ITEM NO. 9

TO APPROVE THE REMUNERATION OF MR. VINOD KUMAR DANDONA (DIN: 06730804), WHOLE TIME DIRECTOR OF THE COMPANY AND IN THIS REGARD TO CONSIDER AND IF THOUGHT FIT, TO GIVE THE ASSENT/DISSENT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 ("the Act") read with Companies (Appointment

and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rules made there under to the extent applicable and provisions of the Articles of Association of the Company and subject to approval of the Central Government or any other approval, as may be required, under any other enactment or law for the time being in force, if any, the consent of members of the Company be and is hereby accorded for the payment of remuneration of Rs. 2,25,209/- (Rupees Two Lacs Twenty Five Thousand Two Hundred Nine only) per month (consisting of consolidated salary, various allowances, perquisites, all other benefits and performance incentive) to Mr. Vinod Kumar Dandona, Whole Time Director of the Company, for the period from 01.06.2015 to 12.11.2016, and the said remuneration limit inter-alia consisting of, but not limited to, the following basic features:

A. Basic salary:- upto Rs. 1 Lac per month

B. House Rent Allowance

C. Following may be paid, subject to the overall consolidated maximum remuneration limit of Rs. 2,25,209/- (Rupees Two Lacs Twenty Five Thousand Two Hundred Nine only) per month, in accordance with the Company policy:

1) Perquisites:

- a) Medical reimbursement for self and family on actual;
 - b) Leave encashment as per Company's policy;
 - c) Provision of car and telephones at residence for use on Company's business will not be treated as perquisites (Personal Long distance calls shall be billed by the Company);
- 2) Any other perquisites, amenities, benefits incentives and allowance which shall be payable in accordance with the Company policies.

RESOLVED FURTHER THAT in the event of there being loss or in adequacy of profits in any financial year during the tenure of Mr. Vinod Kumar Dandona, as Whole Time Director of the Company, subject to approval of Central Government and all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, the Company shall pay him the remuneration as specified above as Minimum remuneration;

RESOLVED FURTHER THAT the Board of Directors (which term shall always be deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) be and is hereby authorised to vary or increase the remuneration specified above from time to time, to the extent the Board of Directors may deem appropriate provided that such variation or increase, as the case may be, is within the overall limits as specified under the relevant provisions of the Companies Act, 2013 and/ or as approved by the Central Government or such other competent authority;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard and to appear, represent the company before the appropriate authority and to sign, verify, execute, submit, collect, amend on behalf of the company any form, document, application, affidavit, undertaking, power of attorney and other papers as may be required in this regard and to authorize, appoint, nominate any advocate, practicing Company Secretary or any other person to represent the company and to do all such acts, things, deeds, as may be incidental and necessary thereto”.

ITEM NO. 10

TO APPROVE THE AGREEMENT TO BE ENTERED BETWEEN THE COMPANY AND M/S EDU SMART SERVICES PRIVATE LIMITED, RELATED PARTY AND IN THIS REGARD 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 Section 188 the Companies Act, 2013 and Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), and Clause 49 of the Listing Agreement, as may amended from time to time and subject to such approvals, consents, sanctions and permissions as may be necessary, the members of the Company do hereby confirm, ratify and approve the transactions entered and Agreement, to be entered between the Company and M/s Edu Smart Services Private Limited, subsidiary of the company, effective from 01st April 2014, for the sale of IT related hardware and/or education content;

RESOLVED FURTHER THAT Board of directors of the company and Chief Financial Officer of the company 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 APPOINT MS. AZRA SHAUQIA HASAN AS AN INDEPENDENT DIRECTOR AND IN THIS REGARD TO CONSIDER AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A ORDINARY RESOLUTION:

“**RESOLVED THAT** Ms. Azra Shauqia Hasan (DIN: 07181657), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 28th May, 2015 and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 (hereinafter referred as “the Act”) from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, in terms of the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Clause 49 of the Listing Agreement, to hold office for 5 (five) consecutive years for a term up to 27th May, 2020 and whose office shall not be liable to retire by rotation.”

ITEM NO. 12

TO APPROVE AND RATIFIED THE REMUNERATION OF M/S AHUJA SUNNY & CO., COST ACCOUNTANTS OF THE COMPANY AND IN THIS REGARD TO CONSIDER AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A ORDINARY RESOLUTION:

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred as “the

Act”) and the Companies (Audit and Auditors) Rules, 2014, (including any amendments, statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, if any, of the Act, M/s. Ahuja Sunny & Co., Cost Accountants appointed as Cost Auditors by the Board of Directors of the Company to audit the cost records of the Company for the financial year 2015-16, be paid a remuneration of Rs. 1,40,000/- (Rupees One Lac Forty Thousand only) per annum (plus applicable taxes) and out of pocket expenses that may be incurred;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

ITEM NO. 13

TO APPROVE THE EDUCOMP EMPLOYEE STOCK OPTIONS SCHEME 2015 AND ISSUE OF SECURITIES AND IN THIS REGARD 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 62 and all other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges, SEBI (Share Based Employee Benefits) Regulations, 2014 (as amended upto date) and other prevailing statutory guidelines in that behalf (hereinafter together referred to as “the Extant Guidelines”) and subject to all necessary consents, permissions and approvals and/or sanctions from all appropriate authorities, if required, and subject to such conditions and modifications as may be prescribed or imposed by appropriate authorities and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include Nomination & Remuneration Committee), consent of the Members of Company be and is hereby accorded to the Board to introduce and implement proposed “Educomp Employee Stock Options Scheme 2015” (hereinafter referred to as “Educomp ESOS 2015”) and to grant, offer and issue to the present and future eligible employees of the Company, who are in permanent employment of the Company including Directors of the Company whether Whole-time Directors or not except Independent Directors and Promoter Directors or a person who belongs to the promoter group and Directors who directly or indirectly holds more than 10% of the issued capital, and whether working in India or outside India as selected on the basis of criteria prescribed by the Board in accordance with the SEBI Regulations (collectively referred as the “Eligible Employees”), options exercisable by employees to subscribe to such number of equity shares of the Company not exceeding 1,00,00,000 (One Crore Only) Equity Shares of Rs. 2/- each (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as maybe applicable from time to time), in one or more tranches, at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with the Scheme, the provisions of the law or regulations issued by the relevant authority, as may be prevailing at that time;

RESOLVED FURTHER THAT the Board be and is hereby authorized to decide upon and bring into effect the Educomp ESOS 2015 on such terms and conditions as contained in the relevant explanatory statement in the notice and to suspend, withdraw or revive the Educomp ESOS 2015;

RESOLVED FURTHER THAT such Equity Shares, upon allotment, shall rank pari-pasu in all respects with the then existing Equity Shares of the Company;

RESOLVED FURTHER THAT the limit 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);

RESOLVED FURTHER THAT the Board may, at its discretion, or in order to comply with any applicable rules, regulations or guidelines, add, amend or put restrictions or any other conditions as it may deem fit;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to determine terms and conditions of issue of the Securities and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary 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 to secure any further consent or approval of the Shareholders of the Company”.

ITEM NO. 14

TO APPROVE THE EDUCOMP EMPLOYEE STOCK OPTIONS SCHEME 2015 FOR SUBSIDIARIES AND IN THIS REGARD 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 Options Scheme 2015 proposed under Resolution No. 13 of this Notice and as approved by the Members, be extended to such present and future permanent employees including Managing Director/Whole-Time Directors/Non Executive Directors (excluding Independent 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.”

By Order of the Board
For Educomp Solutions Limited
Sd/-
Yogesh Saluja
Company Secretary
Membership No. ACS 21916

Date: August 13, 2015
Place: Gurgaon

NOTES:

1. The relative Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (the Act) in respect of the business under Item Nos. 4 to 14 of the Notice, is annexed hereto. The relevant details as required under clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment/ re-appointment as Directors, are also annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF MEETING.**

3. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting right. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, September 23, 2015 to Monday, September 28, 2015 (both days inclusive). The cut-off date to determine the eligibility of voting through electronic means and at the AGM is Monday, September 21, 2015
5. Members/ Proxies should bring the attendance slips duly filled in and signed for attending the Meeting. Members may please note that briefcase, bag, mobile phone, and/or eatables shall not be allowed to be taken inside the hall for security reasons.
6. 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.
7. The Statutory Registers required to be kept open for inspection under the Act read with rules made thereunder at AGM of the Company, will be available for inspection by the members at the AGM.
8. Members holding shares in physical form are requested to intimate change in their address/bank details/NECS (National Electronic Clearing Services) mandate, if any, immediately to the Company's Registrar and Share Transfer Agent i.e. Link Intime India Private Limited, 44, Community Centre, Phase-I, Near PVR, Naraina Ind. Area, New Delhi-110028. Members holding shares in electronic form must intimate the change in their address/bank details/NECS (National Electronic Clearing Services) mandate, if any, to their respective Depository Participant.
9. Members desirous of seeking any information relating to the annexed Annual Audited Financial Statements of the Company for the financial year ended March 31, 2015, may write to the Company at 1211, Padma Tower-1, 5 Rajendra Place, New Delhi-110008, for the attention of Mr. Yogesh Saluja, Company Secretary, at least seven days in advance of the Meeting so that requisite information can be made available at the Meeting.
10. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to fill up the required form-SH-13 and send the same to the office of the Registrar and Share Transfer Agent of the Company. In respect of shares held in demat/electronic form, the nomination form may be filed with the respective Depository Participant. Form SH-13 can be obtained from the Company by sending a request.
11. In terms of Clause 32 of the Listing Agreement, soft copy of full Annual Report is being sent by electronic mode to those member whose e-mail addresses are registered with the Company/Depository Participant(s), unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

The Notice of the 21st AGM and instructions for remote e-voting, along with the Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode. Members may also note that the Notice of the 21st AGM and the Annual Report for the financial year 2014-15 will be available on the Company's website, www.educomp.com. The physical copies of the aforesaid documents will also be available at the Company's registered office as well as the Corporate Office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at : investor.services@educomp.com or may write to Mr. Swapan Kumar Naskar, Address:- Link Intime India Private Limited, Registrar and Share Transfer Agent (RTA), 44, Community Centre, Phase-I, Near PVR, Naraina Ind. Area, New Delhi-110028.

12. The Shareholders who have not registered their e-mail address (es), so far, are requested to register their e-mail address(es), in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to update the same with Link Intime India Private Limited by writing to Mr. Swapan Kumar Naskar, Address:- Link Intime India Private Limited, Registrar and Share Transfer Agent (RTA), 44, Community Centre, Phase-I, Near PVR, Naraina Ind. Area, New Delhi-110028.
13. Pursuant to the provisions of Section 205A and 205 C of the Companies Act, 1956, and pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 29, 2014 (date of last Annual General Meeting) on the website of the Company (www.educomp.com). Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013 (Section 205A of the erstwhile Companies Act, 1956), be transferred to the Investor Education and Protection Fund. Members/Persons who have not yet encashed their dividend warrant(s), which are not time barred, are requested to make their claims without any delay.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Link Intime India Private Limited.
15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registrar Office as well as the Corporate Office of the Company during normal business hours (09.30 am to 5.00 pm) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company.
16. The Certificate from the Auditors of the Company, certifying that the Employees Stock Option Schemes of the Company are being implemented in accordance with the SEBI (Share Based Benefit Schemes) Regulations, 2014 and in accordance with the resolutions of the general body, will be available for inspection to the Members at the Meeting.
17. In compliance with the provisions of section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015'), and Clause 35B of the Listing Agreement entered into with the Stock Exchange(s), the Members are provided with the facility of voting through electronic means (remote e-voting) on all the resolutions set forth in this notice. In this regard, the Company has agreement with National Securities Depository Limited (NSDL) for

facilitating remote e-voting to enable the shareholders to cast their votes electronically. E-voting is optional.

18. For the members who do not have access or casted their votes by remote e-voting, facility for voting through polling paper shall be provided at the AGM and members attending the meeting who have not already casted their votes by remote e-voting shall be able to cast their votes at the AGM. However, the members who have casted their votes by remote e-voting prior to the date of the AGM may also attend the meeting but shall not be entitled to cast their vote again.
19. The shareholders can opt for only one mode of voting i.e. remote e-voting or physical polling at the meeting. In case of voting by both the modes, vote cast through remote e-voting will be considered final and voting through polling paper will not be considered.
20. Brief profile of all the Directors proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and memberships / chairmanships of other board committees, shareholding (both own or held by / for other persons on a beneficial basis) in the Company and relationship between directors inter-se, as stipulated under Clause 49 of the Listing Agreement entered into with BSE Limited and informations as required under Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government, is annexed to the Notice.

The instructions for shareholders for remote e-voting are as under:

Process and Manner for members opting for remote e-voting is as under:-

I (A) In case of Members receiving e-mail from NSDL:

1. Open the e-mail and Open the attached PDF file viz. **"Remote e-Voting.pdf"** giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for remote e-voting". Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for remote e-voting
 2. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
 3. Click on "Shareholder - Login".
 4. Put User ID and password as initial password/PIN noted in step (1) above and Click Login. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using "Forgot User Details/Password" pin option available on www.evoting.nsdl.com
 5. Password Change Menu appears on the screen. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential
 6. Home page of remote "remote e-Voting" opens. Click on e-Voting: Active Voting Cycles.
 7. Select Electronic Voting Event Number ("EVEN") of EDUCOMP SOLUTIONS LIMITED. Members can cast their vote online from Friday, **September 25, 2015 (9:00 am)** till Sunday, **September 27, 2015 (5:00 pm)**.
- Note: Remote e-Voting shall not be allowed beyond said date and time.**
8. Now you are ready for "remote e-Voting" as "Cast Vote" page opens.
 9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted. Upon confirmation, the message "vote cast successfully" will be displayed
 10. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at (sanjaygrover7@gmail.com) with a copy marked to evoting@nsdl.co.in.

(B) In case of Members receives physical copy of the Annual General Meeting Notice by Post:

- (i) User ID and Initial password is provided in the enclosed ballot Form.
- (ii) Please follow all steps from Sl. No. (2) to Sl. No. (10) as mentioned in (A) above, to cast vote.

II other Instructions

- (i) The remote e-voting period commences on Friday, September 25, 2015 (9.00 a.m. IST) and ends on Sunday, September 27, 2015 (05.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on Monday, 21st September, 2015 ("cut-off date"), may cast their vote by remote e-voting. Remote e-voting module shall be disabled by NSDL upon expiry of aforesaid period. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not be allowed to vote again at the Meeting.
- (ii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and remote e-Voting User Manual for Shareholders, available at the downloads section of www.evoting.nsdl.com.
- (iii) The voting rights (for voting through Remote e-voting as well as polling paper) of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date, being Monday, 21st September, 2015.
- (iv) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off i.e., Monday, 21st September 2015 date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.
A person who is not a member as on the cut-off date should treat this notice for information purpose only
- (v) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at

the AGM.

- (vi) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of polling paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (vii) The Board of Directors has **appointed Mr. Sanjay Grover, Company Secretary in Whole Time Practice (Membership No. 4223) as a Scrutinizer** to scrutinize the remote e-voting process in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes casted at the AGM by polling paper and thereafter unblock the votes casted through remote e-voting in the presence of at least two (2) witnesses who are not in employment of the Company.

Thereafter, the Scrutinizer shall within a period not exceeding three (3) days from the conclusion of the AGM make a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the meeting or any person authorized by him in writing. The Results on the resolutions set forth in notice shall be declared after the submission of Consolidated Scrutinizer's Report either by Chairman of the Company or by any person authorized by him in writing and the resolutions shall be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.

- (viii) The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.educomp.com) and shall also communicated to the BSE Limited and National Stock Exchange of India Limited.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No 4

Mr. Shantanu Prakash was re-appointed as Chairman & Managing Director of the Company for a period of 5 years i.e. 01st August, 2009 to 31st July, 2014 as per provisions of section I of the Part II of Schedule XIII of the Companies Act, 1956 on the remuneration comprises of Basic Salary: Rs.4,00,000/- to Rs. 8,00,000/- per month along with other allowances and perquisites.

The Audited financial Results for the financial year ended 31st March, 2013 depicts net loss of Rs.40.72 crores. As the Company incurred losses during the financial year 2012-13, the remuneration paid to Mr. Shantanu Prakash, Managing Director as per provisions of Section I of the Part II of Schedule XIII of the Companies Act, 1956 for the financial year 2012-13 exceeded the limit as prescribed under Clause 1(C) of Section II of Part II of the Schedule XIII of the Companies Act, 1956.

In terms of the relevant provisions of the companies Act, 1956 earlier the shareholders of the company in their meeting held on September 26, 2013 had, subject to central government approval approved and waived the recovery of the remuneration paid in excess of the limit provided under the companies Act, 1956. In terms of the said shareholders approval, and for seeking the central government approval, the company in May 2015 had filled application with the Ministry of Corporate Affairs.

The aforesaid application of the company was rejected by the central government with an advice to the company to re-approve the same in accordance with the provisions of the companies Act, 2013.

In view of the same and considering the experience and invaluable contribution by Mr. Shantanu Prakash, Chairman & Managing Director, towards the growth of the company since inception the Nomination and Remuneration Committee and the Board of Directors of the Company, subject to necessary statutory approvals, have again re-approved the waiver of recovery of excess remuneration as stated above.

The waiver of recovery of refundable remuneration paid to Mr. Shantanu Prakash, Chairman & Managing Director for the Financial Year 2012-2013 requires the approval of members of the Company by way of Special Resolution.

The above resolutions are in the interest of the Company and the Board recommends the resolution as set out in item no.4 for members' approval by way of Special Resolution.

Mr. Shantanu Prakash, Chairman & Managing Director of the company and holding more than 2% shares in the company is interested in the resolutions set out at Item No. 4 of the notice. The relatives of Mr. Shantanu Prakash may also be deemed to be interested in this resolution, to the extent of their shareholding interest, if any, in the company. Save and except the above, none of the Directors / Key Managerial Personnel of the company /their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

Item no. 5 & 6

The shareholders of the company in their meeting held on September 26, 2013 had in terms of the provisions of the Companies Act, 1956 approved the remuneration of Mr. Shantanu Prakash for the remaining period of his previous tenure from April, 01, 2013 upto July 31, 2014.

In addition to above shareholders of the company vide postal ballot resolutions dated March 26, 2014 has again approved the re-appointment and remuneration, subject to central government approval, of Mr. Shantanu Prakash, as Managing Director of the company for the further period of 3 years with effect from August 01, 2014 to July 31, 2017.

As the aforesaid resolutions pertaining to the payment of remuneration to Mr. Shantanu Prakash as Managing Director of the Company were approved and passed by the shareholders of the company under the previous Companies Act, 1956. Further, in term of the Ministry of Corporate Affairs General Circular No. 32/2014 dated July 23, 2014 any resolutions passed under the previous Companies Act, 1956 and also if the implementation of the resolution shall be actually commenced before April 01, 2014, then such resolution shall remain valid for the maximum period of one year from the date of passing the resolution under the previous Companies Act, 1956.

Due to some reasons, beyond control, the company was unable to file an application(s) with the central government which interm of the aforesaid circular leads the earlier resolutions passed in this regard as time barred.

In view of the same and also in terms of the provisions of the Companies Act, 2013, subject to necessary approval, the payment of remuneration, for both

the periods as specified in item no. 5 and 6, as minimum remuneration to Mr. Shantanu Prakash, Chairman & Managing Director of the Company exceeds/may exceed the ceiling limit laid down in Section 196, 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013. In pursuance of the same, Shareholders approval vide Special Resolution(s) is requested for both the tenure as specified in item no. 5 and 6 of the accompanying notice.

In terms of the requirements as per sub-clause (iv) of the proviso to Subparagraph (B) of Paragraph (1) of Section II of Part II of Schedule V to the Act, the information is as furnished below:

I General Information

(1) Nature of Industry : Education

(2) Date or expected date of Commencement of commercial Production : Not Applicable

(3) In case of new Companies, expected date of Commencement of activities as per project approved by Financial Institutions appearing in the Prospectus : Not Applicable

(4) Financial Performance: Financial parameters of the Company for the last five financial years:

(Rupees in millions)

Financial Years	2010-11	2011-12	2012-13	2013-14	2014-15
Turnover (Net)	10,206.63	10,765.12	7,331.10	2822.95	1981.75
Profit/(Loss) before tax	4,363.05	2,444.80	(489.76)	(3319.28)	(11,654.39)
Net Profit/(Loss)	3,888.68	1,889.03	(407.20)	(3122.30)	(11,654.39)
Paid-up share capital	191.09	192.13	244.81	244.88	244.93
Reserve & Surplus	16,065.06	18,042.51	19,608.91	16520.39	4,647.57
Rate of dividend (%)	30.00	15.00	Nil	Nil	NIL

(5) Foreign Investments or Collaborators, if any: The Company has no direct foreign collaboration.

The total Equity Shares held by Foreign Institutional Investors (FIIs) and Foreign Body Corporate are 3697651 Equity Shares of Rs 2/- each which constitutes 3.02% of the Paid up Equity Share Capital of the Company as on 30th June, 2015.

II. INFORMATION ABOUT THE APPOINTEE:

(1) Background details:

Mr. Shantanu Prakash, Chairman & Managing Director is the founder member of Educomp Solutions Limited and has been responsible for its overall operations since inception. He is a PGDBM from IIM, Ahmedabad and is an expert in Education Technology and Pedagogy. He has been involved in the area of education management, multimedia content and instructional delivery for around two decade. Under his leadership Educomp has introduced several products in the education technology domain. He is well recognized in the education space as an expert in the area of instructional technology.

(2) Past Remuneration:

The details of aggregate Salary, Perquisites and Allowances and other retrial benefits paid to Mr. Shantanu Prakash Chairman & Managing Director in the last three financial years are as given below:

(Amount in Rupees)

Financial Year	Mr. Shantanu Prakash, Chairman & Managing Director
2012-13	1,40,88,456
2013-14	NIL*
2014-15	NIL*

* Due pending approval no amount has been paid to him by the company.

(3) Recognition or Awards:

Under the leadership of Mr. Shantanu Prakash, Chairman & Managing Director of the Company has won many prestigious awards and has been recognized for its contribution to the society.

- ❖ PricewaterhouseCoopers (PwC) report (May 2013) ranked Educomp at number 85 amongst the top 100 software vendors in the emerging markets commanding combined revenue of \$797 million and among the 16 Indian companies that have made it to the list.
- ❖ Educomp ranked number 12 in Business World's India's fastest growing companies (May 2013 Issue).
- ❖ In Indian Education Awards 2013 Educomp won awards for, 'Best K12 School Chain- National for The Millennium Schools', 'Innovation in Early Learning for Little Millennium' and 'Best Digital Content for Smartclass'.
- ❖ At Navikaran Awards ceremony on 30th January, 2013 at 'World Schools Resources Expo 2013' Educomp was awarded as the "Corporate of the Year" and Shantanu Prakash, chairman & managing director, Educomp Solutions, was awarded "Entrepreneur of the Year". The event was organized by Creative Children Media in partnership with Zee Business
- ❖ Educomp was ranked amongst India's 40 fastest growing companies by Outlook Business in its 26th May, 2012 issue. Shantanu Prakash, Chairman & Managing Director of the Company was nominated for the highest honour - "Entrepreneur of the Year" Award for his exceptional vision in uplifting the education sector in India and bestowing it with much needed change at "Entrepreneur India Awards 2012" organized by Franchise India Holdings Limited on 18th May, 2012.

- ❖ Educomp Solutions won three prestigious awards - “Best Education Company to work with,” “Best Innovative K 12 School” and “Best Education Webinar Series” at the Indian Education Awards (IEA) 2012 at a glittering ceremony on 28th April, 2012.

(4) Job Profile and his Suitability:

Mr. Shantanu Prakash, Chairman & Managing Director of our Company having around 2 decades of rich experience in education industry. It was Mr. Shantanu's vision to transform the teaching-learning process through the use of technology and best practices.

He functions under the control, superintendence and direction of the Board of Directors. Under his able leadership, the Company which was primarily engaged in the Edureach, (ICT) Segment has since then ventured in to a wide range of educational products and services in diverse segments of Higher Learning Solutions, School Learning Solutions, K-12 Schools and Online supplemental & Global such as SmartClass, Online Education and Pre-school and the Company is India's top educational Company. With his unstinted contribution and in the present challenging business environment, the duties and responsibilities of Mr. Shantanu Prakash, Chairman & Managing Director, has continued to grow manifold and is increasingly complexed. There is an imperative need for formulation of consolidation and competitive strategies and ongoing review for successful implementation in order to provide an impetus to the consolidation and growth prospects of the Company. This enduring process necessitates his continued focus and higher involvement in managing the overall affairs of the Company. Needless to say, in these tough times, the Company ought to be continuously guided and lead under the able leadership of Mr. Shantanu Prakash with whose rich and dynamic experiential background, the Company can remain oriented and look forward to steer through the challenging times and bounce back on the growth trajectory.

(5) Remuneration proposed:

Mr. Shantanu Prakash, Chairman & Managing Director
For remaining pre approved period from 1st April, 2013 to 31st July, 2014
As disclosed in resolution proposed in Item No. 5

Mr. Shantanu Prakash, Chairman & Managing Director
From 1st August, 2014 to 31st July, 2017
As disclosed in resolution proposed in Item No. 6

(6) Comparative Remuneration Profile with respect to Industry, Size of the Company, Profile of the position and person:

Due to the unstinted efforts and contribution of Mr. Shantanu Prakash, Chairman & Managing Director of the Company, the Company has been able to reach a prominent position in the education Industry and has been acclaimed as India's leading Company in education Sector. His unflinching contribution has ensured the long term survival and sustainability of our Company and thus the Nomination and Remuneration Committee of our Board and the Board of Directors felt that the remuneration proposed to him is reasonable. In view of the above, Nomination and Remuneration Committee of the Board and the Board of Directors after considering the size of the Industry in which the Company operates, the challenging and competitive business environment, the size of the Company, the business acumen and dynamism expected in discharge of the role of the Chairman & Managing Director, had approved the existing remuneration. Further the existing remuneration stated at the resolution and the explanatory statement is commensurate to prevailing levels in the industry and thereby is fit and more than justified for payment to him.

7) Pecuniary Relationship, directly or indirectly, with the Company or relationship with the Managerial Personnel, if any:

Mr. Shantanu Prakash is Promoter Director of the Company, holding 4,43,15,205 Equity Shares of the face value of Rs. 2 Each representing 36.19% of the total paid up capital of the Company. In addition to this Mrs. Anjee Prakash, wife of Mr. Shantanu Prakash, holds 3238440 Equity Shares of the face value of Rs. 2 Each representing 2.64% of the total paid up capital of the Company

III OTHER INFORMATION:

(1) Reasons for loss or inadequate profits:

The education sector presented a huge potential for the company and the company embarked on an aggressive growth path given that it was pioneer in this area. The company equipped 11000, 27000 and 40,000 classes with its Smart Class product in FY 2009-10, FY 2010-11 and FY 2011-12 respectively and maintained its leadership position in the market. However, during this period of high growth, the Company could not implement the projects in timely manner resulting in higher implementation and finance costs that adversely affected liquidity and profitability of the company. Further as the Company pays substantial amount upfront in implementation of contract, delayed payment by debtors has adversely impacted the cash flows of the company coupled with delayed payment cycle from government schools under ICT program. Investment in education companies with long gestation period also takes longer time to provide adequate return.

(2) Steps taken or proposed to be taken for improvement :

From the beginning of FY 2012-13, the Company has been in a phase of consolidation. Company is focusing its energies on operational efficiencies, strengthening our balance sheet, focusing on cash flows and launching new products and services through existing sales and distribution network.

Given the changed business environment, the Company has focused on cost management. Company has already begun the process of exiting non-core businesses and in addition company has closed loss making businesses which should also help improve our operating performance.

Company is also working on streamlining its operations, integrating technology into the supply chain and servicing components to replace and optimize our existing cost structure. During previous years, company has undertaken specific measures in K-12 business wherein corporate expenses have been reduced by more than 50%.