

## NOTICE OF POSTAL BALLOT

(Pursuant to Section 192A of the Companies Act, 1956)

**To**

### **The Members of the Company**

Notice is hereby given pursuant to Section 192A of the Companies Act, 1956, ("Act") read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 that the Company is seeking the consent of its members to pass the proposed Special Resolutions as set out below, for Alteration in Article of Association of the Company by means of Postal Ballot.

Explanatory Statement pursuant to Sections 173(2) and 192A of the Companies Act, 1956, alongwith a Postal Ballot Form, are annexed for your consideration.

The Company has appointed Mr. Ujjwal Sharma, Company Secretary in Whole time practice, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The Members are requested to read carefully the instructions printed on the enclosed Postal Ballot Form and return the Form (no other form or photocopy thereof is permitted) duly completed in all respect, in the attached self-addressed postage pre-paid envelop, so as to reach the Scrutinizer at the Registered Address of the Company on or before Wednesday, 01<sup>st</sup> May, 2013. The Scrutinizer will submit his report to the Managing Director, after completion of scrutiny. Further the reply received from Members after 01<sup>st</sup> May, 2013 shall be treated as if no reply is received from members in terms of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

### **SPECIAL BUSINESS:**

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

"RESOLVED THAT subject to the approval of the shareholders in the general meeting of the Company and pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, and the provisions of the Agreement, the Articles of Association of the Company be amended in the following manner:

**A. Article 17(2) to be replaced with:**

The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares at the date of the sale, be paid to the person entitled to the shares at the date of the sale.

**B. Article 30 to be replaced with:**

Subject to the provisions of Sections 111A of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, with sufficient cause, decline to register to transfer of shares, whether fully paid or not.

**C. Article 38 to be replaced with:**

[Not used].

**D. Article 48 to be replaced with:**

48. (1) Subject to the provisions of Section 81 of the Act and subject to this Article 48, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at a par or, subject to the compliance with Section 79 of the Act, at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the general meeting of the members to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment of full or part of any property sold and transferred or for any services rendered to the Company in conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and, if so issued, shall be deemed to be fully paid up shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the general meeting of the members.

(2) For an issue of shares under Section 81(1) of the Act, the Board shall make an offer (the "Offer") to each member of the Company of such number of shares as is equal to its pro rata shareholding in the Company on a fully diluted basis (such number, its "Entitlement") subject to applicable law. Each member of the Company shall exercise its right to subscribe, upon intimation to the other shareholders and the Company, for their Entitlement in accordance with the Offer within a period of thirty (30) days from the receipt of the Offer (each such subscribing member (s), the "Subscribing Shareholder(s)"). Such intimation by the member of the Company shall set out the maximum number of shares (including its Entitlement) that such shareholder is willing to acquire pursuant to this Article 48(2). In the event any member of the Company does not exercise its Entitlement, or part of its Entitlement, or provides an amount less than its Entitlement (such member, a "Non-Subscribing

**Shareholder**, and any such amounts hereinafter the “**Shortfall**”), any Subscribing Shareholder shall have the right to exercise the right to subscribe to such Shortfall pro rata to its shareholding in the Company (“**Shortfall Entitlement**”), provided that if any Subscribing Shareholder does not subscribe to its Shortfall Entitlement (“**Additional Shortfall**”), any other Subscribing Shareholder who has subscribed to its Shortfall Entitlement shall have the right, but not the obligation, to subscribe to all or part of the Additional Shortfall. For the avoidance of doubt, no member of the Company shall be entitled to renounce its Entitlement or Shortfall Entitlement in favour of a third party.

(3) Upon the exercise by a Subscribing Shareholder of its Entitlement or Shortfall Entitlement, as applicable, pursuant to Article 48(2) above (the “**Funding Completion**” and each such date on which Funding Completion occurs, the “**Funding Completion Date**”), each of the Subscribing Shareholders shall transfer to the Company in immediately available cleared funds an amount in Rupees equivalent to the consideration to be paid for its Entitlement and Shortfall Entitlement, if applicable, as the subscription amount for the shares.

(4) Immediately upon receipt by the Company of the subscription amount in accordance with Article 48(3) (and no later than the next business day), the Board shall either issue share certificates for fully paid shares representing the Entitlement and the Shortfall Entitlement, if applicable, or issue electronic fully paid shares to each Subscribing Shareholders’ dematerialized account.

(5) On each Funding Completion Date, the Board shall promptly register in the register of members the relevant Subscribing Shareholder as the holder of the shares representing the Entitlement and the Shortfall Entitlement, if applicable.

(6) Within fifteen (15) days after the relevant Funding Completion Date, the Board shall deliver to the Subscribing Shareholder certified true copies of all such documents which is needed to be filed by the Company with any relevant governmental authority for giving effect to the issuance and allotment under applicable law.

(7) For an issue of shares on preferential basis to a member of the Company, the Board shall call a meeting of the members and recommend such issuance to the members of the Company for approving the issuance and allotment of such number of shares (such shares, the “**Preferential Shares**”) at such price, terms and conditions as may be determined by the Board (each such member, the “**Preferential Shareholder**”), within thirty (30) days of such agreement for the preferential allotment of the Preferential Shares (such allotment, the “**Preferential Allotment**”), subject to applicable law.

(8) The Preferential Shareholder shall transfer to the Company in immediately available cleared funds an amount in Rupees equivalent to the consideration to be paid for the Preferential Shares within five (5) days from the members passing the resolution under Section 81(1A) of the Act (the “**Preferential Funding Completion**” and each such date on which Preferential Funding Completion occurs, the “**Preferential Funding Completion Date**”).

(9) Immediately upon receipt by the Company of the subscription amount in accordance with Article 48(8) (and no later than the next business day), the Board shall either issue share certificates for fully paid Preferential Shares, or issue electronic fully paid Preferential Shares to each Preferential Shareholders’ dematerialized account.

(10) On each Preferential Funding Completion Date, the Board shall promptly register in its register of members the relevant Preferential Shareholder as the holder of the Preferential Shares.

(11) Within fifteen (15) days after the relevant Funding Completion Date, the Board shall deliver to the Preferential Shareholder certified true copies of all such documents which is needed to be filed by the Company with any relevant governmental authority for giving effect to the issuance and allotment under applicable law.

**E. A new Article 50A to be added after Article 50:**

50A. The Company shall establish an employees’ stock purchase plan (“**ESOP**”) before 26<sup>th</sup> September, 2013 for the benefit of the key managerial employees of the Company as identified by the Managing Director and the Investors, and shall be constituted of up to five per cent (5%) of the total shares of the Company. The ESOP shall be consistent with applicable law and the policies framed by the Board in this regard. Upon the exercise of an option under the ESOP by any key managerial employees of the Company to whom such option has been granted, the number of shares which such key managerial employee shall be entitled to under the ESOP shall be transferred directly by the Promoters to such key managerial employee under such terms as set out under the ESOP.

**F. A new sub-article (3) to be added after Article 66(2):**

The notice of meeting of the members must contain a detailed agenda of items (and all other relevant documentation) proposed to be considered at the meeting of the members and the draft resolutions proposed to be put to vote at such meeting.

**G. Article 68(2) to be replaced with:**

The quorum for any meeting of the members shall be five (5) members subject to the presence (in person or by proxy) of a duly authorized representative of India Business Excellence Fund II and India Business Excellence Fund IIA (together, the “**Investors**”) and any of Mr. Sanjeev Goel, Pantec Devices Private Limited, Pantec Consultants Private Limited and Intec Worldwide Private Limited (the “**Promoters**”). If a quorum is not present within one (1) hour of the time appointed for a meeting, the meeting shall stand adjourned to the same place and time seven (7) days after the original date set for such meeting of the members (“**First Adjourned General Meeting**”). If a quorum is not present within one (1) hour of the time appointed for the First Adjourned General Meeting due to the absence of a duly authorized representative of the Investors,

the members (in person or by proxy) shall, subject to applicable law, form the quorum for the First Adjourned General Meeting and may vote on all matters included in the agenda for such meeting of the members. In the event any modifications or amendments are proposed to a Reserved Matter (as defined in Article 115B) tabled before a meeting of the members (including an adjourned meeting of the members), such Reserved Matter cannot be approved without the written approval of the Investors and without following the process set out at Article 115B.

**H. Article 74 to be replaced with:**

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall not be entitled to a second or a casting vote.

**I. Article 84 to be replaced with:**

The number of Directors of the Company shall not be less than three (3) and not more than nine (9).

**J. Article 85 to be replaced with:**

85. If the Investors are owners of:

- (a) more than fifteen per cent (15%) of the shares on a fully diluted basis:
  - (i) the Investors shall have the right to nominate two (2) Directors for appointment to the Board; and
  - (ii) the Promoters shall have the right to nominate four (4) Directors for appointment to the Board; and
  - (iii) the Board shall consist of three (3) independent Directors which shall be mutually agreed by the Investors and the Promoters; and
- (b) more than five per cent (5%) but less than fifteen per cent (15%) of the issued, outstanding and paid up shares on a fully diluted basis:
  - (i) the Investors shall have the right to nominate for appointment one (1) Director; and
  - (ii) the Promoters shall have the right to nominate four (4) Directors for appointment to the Board; and
  - (iii) the Board shall consist four (4) independent Directors which shall be mutually agreed by the Investors and the Promoters.

The Investors or the Promoters may remove a Director nominated by it in accordance with this Article 85 by issuing a written notice to the Company, and nominate for appointment a new Director in his place by notice in writing to the Company. So long as the Investors hold at least five per cent (5%) of the shares, independent Directors shall not be removed unless the Investors and the Promoters have mutually agreed to such removal in writing.

**K. Article 87(1) to be replaced with:**

Subject to the provisions of the Companies Act, 1956 and Rules made thereunder, each Director, including the Managing Director shall be paid sitting fees for each meeting of the Board or a committee thereof, attended by him as per the limits prescribed under the Companies Act, 1956.

**L. Article 87(2) to be replaced with:**

The independent Directors shall be entitled to remuneration in their capacity as Directors of the Company as may be agreed to by the Promoters and the Investors from time to time. Other Directors shall not be entitled to remuneration in their capacity as Directors other than sitting fees. The remuneration of Key Executives (other than Mr. Sanjeev Goel) shall be determined by the remuneration committee constituted by the Board and prior consent of the Investors shall not be required for any change or amendments to the terms of remuneration of the Key Executives, provided that any proposed change or amendments which relates to the terms of remuneration of Mr. Sanjeev Goel shall require the prior consent of the Investors.

For the purposes of this Article 87(2):

**"CEO"** means the chief executive officer of the Company who is responsible for the day-to-day management of the Company, or any person of whatsoever designation performing the functions of the chief executive officer;

**"CFO"** means the chief financial officer of the Company, or any person of whatsoever designation performing such functions of a chief financial officer as may be agreed in writing with the Investors, including responsibility for the accounts, management information system, the entire treasury, investor relations, cash flows and cost management of the Company and its subsidiary and arranging financing for the Company and its subsidiary;

**"COO"** means the chief operating officer of the Company or any person of whatsoever designation performing the functions of a chief operating officer who shall be responsible for costs management and the asset side of the Company and its subsidiary;

**"Key Executives"** means the Managing Director, CEO, CFO, COO, head of Business, head of Credit, head of Human Resource and Administration, head of Treasury, head of Accounts, head of Operations, head of Retail Sales, head of Strategic Sales, head of Vendor Development and head of Collection, and such other key managerial employees as identified by the Board from time to time.

**M. Article 87(3) to be replaced with:**

The remuneration of independent Directors, in so far as it consists of a monthly payment, be deemed to accrue from day to day.

**N. Article 87(4) to be replaced with:**

Subject to the provisions of Section 198, 309, 310 and 314 of the Act, if any Director be called upon to perform any extra services or make special exertions or effort, (which expression shall not include work done by a Director as a member of any committee formed by the Directors), the Board may pay such Director special remuneration for such extra services or special exertions or efforts by way of a fixed sum or if an agreement has been entered into with such Director, then the sums payable shall be in accordance with such agreement.

**O. Article 91 to be replaced with:**

91. (a) The Board shall have responsibility for the supervision and management of the Company and the Business in accordance with these Articles and/or as required under any applicable law or under the terms of this Articles.

(b) The Board shall be responsible for setting the corporate governance of any subsidiary of the Company, including its management and reporting structure in accordance with the Articles and shall be responsible for ensuring compliance with such rules.

(c) The Board shall establish, maintain and duly administer an internal control system comprising policies, processes and such other features as are necessary or advisable to help ensure the quality of the Company's and its subsidiary's internal and external reporting and compliance, including in relation to the preparation of financial statements and compliance by the Company and its subsidiaries with all applicable laws and regulations and industry best practices.

(d) The Board shall be responsible for ensuring that the Company and its subsidiaries are in compliance with all the statutory reporting requirements under all applicable laws including but not limited to the generally accepted accounting principles as prevalent in India. In addition, the Board shall be responsible for ensuring that the Intellectual Property of the Company and its subsidiaries is duly protected and owned by the respective Company and its subsidiaries.

**P. Article 92 to be replaced with:** -

Subject to the provisions of Section 313 of the Companies Act, 1956, each Director shall be entitled to appoint an alternate who shall be entitled to receive notice of all meetings of the Board and attend and vote at any meeting at which the Director appointing him is not personally present, and generally in the absence of his appointer to do all the things which his appointer is authorized or empowered to do. A Director who is also acting as an alternate of another Director shall be entitled, in the absence of his appointer, to a separate vote on behalf of his appointer in addition to his own vote, and to be counted as part of the quorum of the Board on both his own account and in respect of the Director for whom he is the alternate.

**Q. Article 94 to be replaced with:**

Until such time that the Investors hold a minimum of two per cent (2%) of the shares, the Investors shall have the right to appoint one (1) observer to meetings of the Board of Directors. In the event the Investors do not nominate a Director for appointment to the Board by exercising its rights or do not have the right to nominate a Director for appointment to the Board in accordance with Article 85 above, subject to the Investors holding a minimum of two per cent (2%) of the shares, such observer shall be entitled to receive notice of meetings of the Board along with the agenda of items (and all other relevant documentation) proposed to be considered at the meeting of the Board. The observer shall not be entitled to participate in the proceedings or the meetings of the Board or have voting rights as that of the Directors. The Investors shall be responsible for all actions of the observer nominated by them and shall ensure that the observer is bound by confidentiality obligations acceptable to the Board.

**R. Article 95(iii) to be replaced with:**

if a person is a Director of more than fifteen public companies at a time;

**S. Article 105 to be replaced with:**

Subject to Section 287 of the Act, the quorum for any meeting of the Board shall be one third of its total strength (any fraction being rounded off as one) or two Directors, whichever is higher, and shall include one (1) Director nominated for appointment by the Investors and one (1) Director nominated for appointment by the Promoters who shall be present at the commencement and throughout the duration of the meeting, provided that where at any time the number of interested Directors exceeds or is equal to two thirds of the total strength, the number of remaining Directors, that is to say, the number of Directors who are not interested and present at the meeting, being not less than two (2), shall constitute quorum during such time.

**T. Article 106 to be replaced with:**

106. (1) Subject to Article 115B, no meeting of the Board shall be convened on less than seven (7) days written notice unless the consent of one (1) Director nominated for appointment by the Investors and one (1) Director nominated for appointment by the Promoters has been obtained for shorter notice. The notice of meeting of the Board must contain an agenda of items (and all other relevant documentation) proposed to be considered at the meeting of the Board. Any Director may require any additional item to be put on the agenda by written notice sent to the company secretary at least seven (7)

days before the relevant meeting. Save for any such validly notified additional item, the business conducted at any meeting of the Board shall only comprise those matters expressly stated in the notice convening such meeting, unless otherwise agreed by the Directors constituting quorum.

(2) Subject to Article 115B, any Director may request, in writing, the company secretary to convene a meeting of the Board setting out the proposed agenda. If the company secretary does not convene such meeting of the Board within five (5) days of such written request, such Director may directly convene a meeting of the Board and set the agenda for such Board Meeting in accordance with the provisions of Article 106(1).

(3) If a quorum is not present within one (1) hour of the time appointed for a meeting, the meeting shall stand adjourned to the same place and time seven (7) days after the original date set for such meeting of the Board ("First Adjourned Board Meeting"). If a quorum is not present within one (1) hour of the time appointed for the First Adjourned Board Meeting due to the absence of a Director nominated by the Investors, the Directors present shall form the quorum for the First Adjourned Board Meeting and may vote on all matters included in the agenda for such meeting of the Board, provided that the presence of at least one (1) Director nominated for appointment by the Promoters is necessary for constituting valid quorum. In the event any modifications or amendments are proposed to a Reserved Matter (as defined in Article 115B) tabled before a meeting of the Board (including an adjourned meeting of the Board), such Reserved Matter cannot be approved without the written approval of the Investors and without following the process set out at Article 115B.

(4) Subject to compliance with applicable law, any Director may participate and vote in a meeting of the Board by means of a telephone or video conference by means of which all persons participating in the meeting can hear each other throughout the duration of the meeting. Participation in such meeting shall constitute attendance and presence in person at the meeting of the Director so participating.

**U. Article 107(2) to be replaced with:**

In case of any equality of votes, the Chairman of the meeting shall not have a second or a casting vote.

**V. Article 109(1) to be replaced with:**

The Board may elect one of its members as Chairman of its meetings and determine the period for which he is to hold office as such.

**W. Article 110 to be replaced with:**

110.(1) The Board shall have the power to constitute, if necessary, committees of the Board and, subject to the restrictions contained in Section 292 and 293 of the Act, may delegate such powers to committees as the Board deems fit and may, from time to time, revoke such delegation and discharge any such committee of the Board either wholly or in part either as to persons or purpose, but every committee of the Board so formed shall in the exercise of the powers so delegated confirm to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

(2) The Board shall constitute (a) an audit committee; (b) a remuneration committee; (c) an operational review committee, (d) an asset liability committee; (e) such other committees constituted by the Board under Article 110(1) above; and (f) such other sub-committees formed by the above-mentioned committees. The audit committee shall comprise of one (1) Director nominated for appointment by the Investors and two (2) independent Directors. The remuneration committee shall comprise of Mr. Sanjeev Goel, one (1) Director nominated for appointment by the Investors and one (1) independent Director the identity of whom shall be mutually agreed by the Investors and the Promoters. All other committees constituted by the Board under this Article 110(2) shall comprise at least one (1) Director nominated for appointment by the Investors and one (1) Director nominated for appointment by the Promoters, to the extent permitted under applicable law. All committees shall report to the Board.

**X. Article 111 to be replaced with:**

To the extent practicable and permissible by applicable law and subject to these Articles, the Directors appointed to the committees shall be in the same proportion as the Directors appointed to the Board. Subject to the aforesaid, unless otherwise provided in these Articles, at least one (1) Director nominated for appointment by the Investors shall be a member of any committee formed by the Board. Unless otherwise decided by the Board in writing, the provisions relating to agenda, notice, quorum and voting applicable to the Board shall apply to the extent permissible or practicable to any committee formed by the Board.

**Y. Article 113(2) to be replaced with:**

Questions arising at the meeting of a committee shall be determined by a majority of votes of the members present and in case of an equality of votes, the Chairman shall not have a second or casting vote.

**Z. A new Article 115A to be inserted after Article 115:**

115A. (1) The Board shall take steps to appoint and remove directors to the boards of its subsidiaries in order to comply with the nomination rights set out in Article 85.

(2) The Board shall nominate for appointment and propose the removal of the members of the board of directors of its subsidiaries.

(3) Unless otherwise decided by the Board in writing, the provisions relating to agenda, notice, quorum and voting applicable to the Board shall apply to the extent permissible or practicable to the boards of directors of the other Company and the Subsidiary as well.

(4) The Board shall take such steps so as to ensure that the minutes of meetings of all the board of directors and shareholders of its subsidiaries shall be placed before the Board for its approval.

(5) The Board shall take such steps so as to ensure that the board of directors of its subsidiaries shall constitute (a) an audit committee; (b) a remuneration committee; (c) an operational review committee, (d) an asset liability committee; (e) such other committees constituted by the board of directors of the Subsidiary under Clause 8.3 above; and (f) such other sub-committees formed by the above-mentioned committees, each of which committee shall comprise at least one (1) Director nominated for appointment by the Investors and one (1) Director nominated for appointment by the Promoters. All committees shall report to the board of directors of the respective subsidiary.

**AA. A new Article 115B to be inserted after the new Article 115A:**

115B.No resolution may be proposed, tabled, deliberated, discussed or passed at any meeting of the Board or of the members', as the case may be, in relation to a Reserved Matter unless approval of the Investors has been obtained in the following manner:

(1) at least fourteen (14) days prior to the circulation of the notice with respect to a meeting of the Board or of the members, as the case may be, the Company shall send a written notice to the Investors ("Meeting Notice"). The Meeting Notice shall state the proposed Reserved Matter item and shall be accompanied by relevant documentation for which the Promoters are seeking the consent of the Investors ("Impugned Reserved Matter"). The Investors may requisition for any additional information from the Company in relation to the Impugned Reserved Matter;

(b) if the Investors have not consented to or rejected the Impugned Reserved Matter within seven (7) days of receiving the Meeting Notice by issuing a notice to such effect ("Investor Meeting Response"), the Company shall send another Meeting Notice to the Investors ("Second Meeting Notice") with the same particulars and information as were sent in the Meeting Notice on the eighth (8<sup>th</sup>) business day from the date of the Meeting Notice. If the Investors have not consented to or rejected the Impugned Reserved Matter within seven (7) days of receiving the Second Meeting Notice by issuing an Investor Meeting Response, the Investors shall be deemed to have not approved the Impugned Reserved Matter and the Company shall not undertake any action in relation to the Impugned Reserved Matter nor shall the Impugned Reserved Matter be proposed, tabled, deliberated, discussed or put to vote in a meeting of the Board or the members (as the case may be);

(c) if the Investors have given their consent for the Impugned Reserved Matter in the Investor Meeting Response, the Company may propose, table, deliberate, discuss and put to vote the Impugned Reserved Matter at the meeting of the Board or of the members, as the case may be. If the Investors have disapproved the Impugned Reserved Matter in the Investor Meeting Response or have not responded to the Meeting Notice, the Company shall not undertake any action in relation to the Impugned Reserved Matter nor shall the Impugned Reserved Matter be proposed, tabled, deliberated, discussed or put to vote in a meeting of the Board or the members (as the case may be); and

(d) if the Investors have approved the Impugned Reserved Matter in the Investor Meeting Response in accordance with this Article 115B, it shall not disapprove such Impugned Reserved Matter in the meeting of the Board or the members (as the case may be) for which such consent was sought by the Company in the Meeting Notice.

For the purposes of this Article 115B:

**"Reserved Matters"** means the following matters requiring Board or members' approval:

- (a) issue any shares or securities (including equity shares, preference shares including preference shares, convertible debentures, warrants or any other quasi equity instrument); or
- (b) make any variation or amendments to the existing terms and conditions including the terms of conversion or redemption of shares; or
- (c) offer for sale, repurchase, redeem, alter, reorganize or retire equity shares or convertible securities or options in respect of such equity securities and any rights attached to such equity securities or otherwise permit any change in the equity structure of the Company, any changes in class rights for securities, or modify or adopt any equity option plan; or
- (d) borrow funds in any form or issue trade guarantees in excess of sums mentioned in the business plan as adopted by the Board; or
- (e) merge, de-merge, hive-off, spin-off, acquire or dispose of the Company and/or its subsidiaries or any assets of the Company and/or its subsidiaries; or
- (f) approve the sale, acquisition or transfer of substantial assets of the Company and/or any of the Company and its subsidiaries in excess of Rs. 10,000,000 (ten million rupees) of the written down value at the commencement of each financial year or as set out in the business plan adopted by the Board.

**BB. Article 126(3) to be replaced with:**

Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within thirty (30) days from the date of declaration to any shareholder entitled to the payment of the dividend, the

Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, open a special account in that behalf in any scheduled bank called "Unpaid Dividend of M/S. INTEC CAPITAL LIMITED" and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the investor education and protection fund established under Section 205C of the Companies Act, 1956 in accordance with Section 205A (5) and 205A (6) of the Companies Act, 1956. A claim to any money so transferred to the investor education and protection fund may be proffered to the Central Government by the shareholders to whom the money is due.

No unclaimed or unpaid dividend shall be forfeited by the Board.

**CC. A new Article 129A to be inserted after Article 129:**

129A. (1) Each of the Promoters covenants and agrees that, subject to Article 129A (2) below, it shall not, and shall procure that none of its Affiliates will, engage in any Restricted Activities without the prior written consent of the Investors and without complying with the provisions of this Article 129A and that they shall conduct the Business only through the Company or its subsidiaries in India or outside India.

(2) Each of the Promoters covenants and agrees that the Promoters or any entities controlled by the Promoters (except the Company and its subsidiaries) shall not, directly or indirectly, or beneficially, in any capacity whatsoever, invest in, or participate in, or be financially engaged in, concerned with, or interested in any undertaking or in the management of any Person engaged in or having an interest in the Business, provided that the Promoters shall be permitted to hold a passive investment of up to five per cent (5%) of the shares of listed companies and up to seven point five zero per cent (7.5%) of the shares of unlisted companies which compete with the Business, provided further that the Mr. Sanjeev Goel may hold any amount in companies or entities which do not compete with the Business and where his spouse or lineal descendants are appointed as the managing director or chief executive officer or at any position of responsibility so as to be a key person in the business of such company.

(3) The Promoters agree and acknowledge that if at any time a new opportunity arises in relation to the Business ("New Business Opportunity"), such New Business Opportunity shall be presented to the Board and the Board shall resolve in accordance with these Articles whether to pursue such New Business Opportunity. In the event the Board resolves not to undertake such New Business Opportunity, the Promoters shall not undertake such New Business Opportunity on their own, either directly or indirectly.

(4) The undertakings in Articles 129A(1) and (2) are given by the Promoters to the Investors and to the Company and apply to actions carried out by each Promoter (or any of its Affiliates) in any capacity and whether directly or indirectly, on their (or their respective Affiliate's) own behalf, on behalf of any other Person or jointly with any other Person.

(5) Each of the covenants in Article 129A is considered fair and reasonable by the Promoters (in consideration of the subscription of shares by the Investors pursuant to these Articles, but if any such restriction is found to be unenforceable but would be valid if any part of it were deleted or the period or area of application reduced, the restriction shall apply with such modifications as may be necessary to make it valid and effective.

For the purposes of this Article 129A:

**"Affiliate"** means in respect of any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person, and any investment funds managed or advised by such specified Person, provided that neither the Company nor the Subsidiary shall be considered as the Affiliate of any shareholder. In case of natural persons, Relatives shall be deemed to be Affiliates of such natural persons. For the purposes of this Article 129A, "control" when used with respect to any Person means the power to direct the management and policies of such Person directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" shall be construed accordingly;

**"Business"** means the business of the Company and its subsidiaries comprising of the provision of financial services including "business of a non-banking financial institution", as the term has been defined in the Reserve Bank of India Act, 1934;

**"Person"** means a corporation, association, unincorporated association, partnership (general or limited), joint venture, estate, trust, limited liability company, limited liability partnership or, any other legal entity, individual or government, state or agency of a state;

**"Restricted Activities"** means with respect to the Promoters or any of their Affiliates"

- (a) carrying on negotiations with a Person for the purpose of establishing another entity, vehicle or joint venture or entering into any arrangement that has, in each case, the same, or substantively the same goals and objectives as the Business;
- (b) either solely or jointly with or on behalf of any Person directly or indirectly establishing, carrying on, or being engaged in, or employed by, or interested in any business or entity which carries on, or is proposed to carry on, a business with the same or substantively the same goals and objectives as the Business;
- (c) offering employment to, entering into a contract for the services of, or attempting to entice away from the Company or its subsidiaries any individual who is (at the time of the offer or attempt), or has been at any time within the twelve (12)

month period prior to the offer or attempt, an employee of the Company or its subsidiaries or procuring or facilitating the making of any such offer or attempt by any other Person;

- (d) offering any business to or entering into a contract with an agent of the Company or its subsidiaries;
- (e) sharing the intellectual property of the Company or or its subsidiaries with any third parties or developing any intellectual property for any Person apart from the Company or the subsidiary; or
- (f) causing or permitting any Person directly or indirectly under its control to do any of the foregoing acts or things.

RESOLVED FURTHER THAT Mr. Sanjeev Goel and the Company Secretary be and are hereby severally authorised to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolutions, including but not limited to filing of necessary forms with the Registrar of Companies and to comply with all other requirements in this regard.

**By Order of the Board  
For Intec Capital Limited**

**Sanjeev Goel  
Managing Director**

**Place: New Delhi  
Date: 26<sup>th</sup> March, 2013**

**Notes :-**

1. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
2. The Board of Directors at its meeting held on 26<sup>th</sup> March, 2013 has appointed Mr. Ujjwal Sharma, Company Secretary, as Scrutinizer to receive and Scrutinize the ballot papers received for the Members and for conducting the entire Postal Ballot process in fair and transparent manner. The postal ballot form and the self-addressed envelopes (on which postal stamps are already affixed) are enclosed.
3. You are requested to carefully read the instructions printed in the Postal Ballot form and return the form duly completed in all along with the Assent/Dissent in the attached self-addressed postage pre-paid envelop, so as to reach the Scrutinizer at the Registered Address of the Company on or before Wednesday, 01<sup>st</sup> May, 2013.
4. The Scrutinizer will submit his report to the Managing Director after completion of the Scrutiny and the result of the Postal ballot will be announced by Managing Director or any other Director on Thursday, 02<sup>nd</sup> May, 2013 at the Registered office of the Company at 10.00 a.m.
5. All documents referred to in the accompanying Notice and Explanatory statement are open for inspection at the Registered office of the company during office hours on all working days between 11.00 a.m. and 1.00 p.m upto the date of declaration of result of Postal ballot process.

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

**ITEM NO. 1**

In order to meet the working capital requirements and the future capital expenditure, Company has allotted Equity shares to India Business Excellence Fund-II and Compulsorily Convertible Preference Shares to India Business Excellence Fund-IIA by way of obtaining approval of shareholders of the Company through a postal ballot resolution declared on 26<sup>th</sup> March, 2013. In this regard the Company has also entered into a shareholders agreement dated 22<sup>nd</sup> March, 2013, *inter alia*, with India Business Excellence Fund-II and India Business Excellence Fund-IIA. The Company proposes to alter the existing Articles of Association to incorporate certain provisions of the shareholders agreement dated 22<sup>nd</sup> March, 2013. A special resolution of the shareholders is required pursuant to Section 31 of the Companies Act, 1956 for altering the Articles of Association of the Company.

A copy each of the existing Articles of Association of the Company and the revised Articles of Association of the Company after incorporating the proposed alterations, will be available for inspection of the members at the registered office of the Company on all working days.

None of the directors of the Company in any way concerned or interested in the aforesaid special resolution.

Your Directors recommend to pass this resolution as Special Resolution.

None of the Directors are concerned or interested in this resolution.

**By Order of the Board  
For Intec Capital Limited**

**Sanjeev Goel  
Managing Director**

**Place: New Delhi  
Date: 26<sup>th</sup> March, 2013**