



THE CALCUTTA STOCK EXCHANGE ASSOCIATION LIMITED

Registered Office : 7, Lyons Range, Kolkata-700 001

NOTICE is hereby given that an Extra Ordinary General Meeting of the members of **The Calcutta Stock Exchange Association Ltd.**, will be held at the Registered Office of the Company at **7, Lyons Range, Kolkata-700 001** on **Wednesday, May 23, 2007** at **4.30 P.M.** to transact the following business:

SPECIAL BUSINESS:

1. To consider and, if thought fit, to pass with or without modification/s, the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT in accordance with the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956, or any amendment or re-enactment thereof and the enabling provisions of the Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions, if any required from any authority, the existing Equity Shares of the face value of Rs.250/- (Rupees Two Hundred Fifty) in the share capital of the Company be sub-divided such that each Equity Share of the face value of Rs.250/- (Rupees Two Hundred Fifty) is sub-divided into 250 (Two Hundred Fifty) Equity Shares of the face value of Re.1/- (Rupee One) each with effect from the record date to be determined by the Board of Directors/Administrator of the Company for the purpose and consequently Clause V of the Memorandum of Association of the Company be and is hereby altered and replaced with the following Clause:

"The Authorised Share Capital of the Company is Rs.10,00,000/- (Rupees Ten Lakhs Only) divided into 10,00,000 (Ten Lakhs Only) Equity Shares of Re.1/- (Rupee One Only) each with power to increase or decrease the Capital of the Company".

"RESOLVED FURTHER THAT the Board of Directors/Administrator of the Company be and is hereby authorised to issue new shares (including new certificates where required) representing the sub-divided shares with new distinctive numbers in the aforesaid proportion subject to the Rules as laid down in the Companies (Issue of Share Certificates) Rules, 1960 with an option to exchange the new share certificates in lieu of cancellation of the old share certificates and to do all such acts, deeds, matters, things, necessary or desirable in connection with or incidental to the sub-division of the Equity Shares of the Company".

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors/Administrator of the Company be and is hereby authorised to do all such acts, deeds, matters and things as it may consider necessary, expedient, usual or proper to give effect to this Resolution including but not limited to fixation of Record Date and/or execution of all necessary documents with any other relevant authority, appointment of Registrar, cancellation/rectification of the existing shares and to settle any question, difficulty or doubt that may arise in this regard to the sub division of the Equity Shares as aforesaid".

2. 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 31 and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment or re-enactment thereof) the existing Article 2.1 (a) of Articles of Association of the Company be hereby deleted and substituted by the following:

"2.1 (a) The Authorised Share Capital of the Company is Rs.10,00,000/- (Rupees Ten Lakhs Only) divided into 10,00,000 (Ten Lakhs Only) Equity Shares of Re.1/- (Rupee One) each."

"RESOLVED FURTHER THAT the Board of Directors/Administrator of the Company be and is hereby authorised to do all such acts, deeds, matters and things necessary or desirable in connection with or incidental for giving effect to the above Resolution.

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

"RESOLVED THAT two of the shareholders of the company be elected in this meeting to represent the shareholders and act as their representatives in the Empowered Committee for successful completion of Demutualisation/Divestment process of the Exchange as per The Calcutta Stock Exchange Association Limited (Demutualisation) Scheme, 2005".

"**RESOVED FURTHER THAT** such elected representatives be and are hereby authorised to act as the nodal agency for interactions between the Exchange Management, the Empowered Committee and the shareholders and to participate in the decision making process in respect of all matters/issues relating to the Demutualisation/Divestment Programme".

By **Order of the Administrator**
The Calcutta Stock Exchange Association Ltd.,

K. Mukhopadhyay
Authorised Signatory

Dated: 26th April 2007

Registered Office: 7, Lyons Range, Kolkata-700 001

Notes:

1. A member entitled to attend and vote may appoint a proxy to attend and vote on his/her behalf. A proxy need not be a member of the Company.
 2. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 (forty eight) hours before the commencement of the meeting.
 3. Corporate Members are requested to send certified copy of Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the meeting.
 4. The relevant explanatory statement pursuant to Section 173 of the Companies Act, 1956 in respect of Item Nos. 1, 2 and 3 of the Notice set out above, is annexed hereto.
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ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956

Pursuant to Section 173 of the Companies Act, 1956 the following explanatory statements set out the material facts relating to the Special Business under Item Nos. 1 to 3 mentioned in the accompanied Notice.

Item No. 1

Equity Share Capital of the Company is at present divided into Equity Shares of Rs. 250/- each. In terms of The Calcutta Stock Exchange Association Limited (Demutualisation) Scheme, 2005, the Exchange has to divest a minimum of 51% of its shares to the public other than shareholders having trading rights. The Securities Contracts (Regulation) (Manner of Increasing and Maintaining Public Shareholding in Recognised Stock Exchanges) Regulations, 2006 has laid down the manner of increasing the public shareholding. Presently, the Exchange can only avail of the option of fresh issue of equity shares on private placement basis. In order to broad base the options of divestment as permitted by the above SEBI regulations, it is proposed to reduce the face value (nominal value) of the equity shares of the Company by sub-dividing the face value (nominal value) of the equity shares from Rs.250/- per share to Re.1/- per share. As per relevant provisions of the Articles of Association of the Company such a proposal requires shareholders' approval at the General Meeting. It is also proposed that in order to give effect to the proposal, the Memorandum of Association of the Company be amended to reflect the alteration of the Capital structure of the company.

The Board of Directors/Administrator does not have any interest in the Resolution except to the extent he is the Administrator of the Exchange.

The Administrator recommends the Resolution for approval.

Item No. 2

It is proposed that the Articles of Association of the Company be amended pursuant to Item No. 1 above in order to reflect the alteration in the Capital Structure of the Company. As per relevant provisions of the Articles of Association of the Company as well as provisions of Companies Act, 1956 such a proposal requires shareholders' approval at the General Meeting.

The Board of Directors/Administrator does not have any interest in the Resolution except to the extent he is the Administrator of the Exchange.

The Administrator recommends the Resolution for approval.

Item No. 3

In accordance with The Calcutta Stock Exchange Association Ltd., (Demutualisation) Scheme, 2005, the Exchange is required to divest a minimum of 51% of its shares to the public other than shareholders having trading rights in the manner and within the period as prescribed under sub-section 8 of Section-4B of the Securities Contracts (Regulation) Act, 1956 (SCRA) and the Securities Contracts (Regulation) (Manner of Increasing and Maintaining Public Shareholding in Recognised Stock Exchanges) Regulations, 2006. The Exchange had appointed M/s. PricewaterhouseCoopers Pvt. Ltd., as its Consultants for the above purpose. Further, for the smooth and successful completion of the Demutualisation Programme, a high level Empowered Committee consisting of eminent persons was constituted. As the issues relating to the divestment process are of significant importance to the existing shareholders of the Exchange and since no elected representatives of shareholders are available at present, it was envisaged that the said Empowered

Committee would meet the shareholders from time to time and keep them informed about the progress of the divestment process and solicit their comments/suggestions in the matter. The Exchange had accordingly arranged a meeting of the Empowered Committee with the shareholders on the 28th March, 2007 for this purpose. However, it has become evident that frequent and speedy interactions with the shareholders at various stages of the divestment process are essential for successful completion of the Demutualisation Programme. It has therefore been felt that arrangements need be made for participation of the shareholders' representatives in the deliberations of the Empowered Committee on a regular basis to make the decision making process quicker as also more transparent. It has also been noted that to enable the said shareholders' representatives to have proper status and authority, they need be elected by the general body in a General Meeting of the shareholders and be given appropriate authorisation to act on their behalf. Keeping in view the 25% cap on the representation of Trading Members in the Exchange Management as envisaged in the Demutualisation Scheme as also in SCRA, shareholders' approval is hereby sought for appointment of two representatives of the shareholders in the Empowered Committee for Demutualisation Programme through a process of election.

The Board of Directors/Administrator does not have any interest in the Resolution except to the extent he is the Administrator of the Exchange.

The Administrator recommends the Resolution for approval of the members.

**By Order of the Administrator
The Calcutta Stock Exchange Association Ltd.,**

K. Mukhopadhyay
Authorised Signatory

Dated: 26th April 2007

Registered Office : 7, Lyons Range, Kolkata-700 001



ATTENDANCE SLIP

THE CALCUTTA STOCK EXCHANGE ASSOCIATION LIMITED
Registered Office : 7, Lyons Range, Kolkata - 700 001

Please complete this attendance slip and hand it over at the entrance of the Trading Hall.

Full Name of Shareholder in Block Letters : _____

Share No./Folio No.

No. of Shares held:

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I hereby record my presence at the **Extraordinary General Meeting** of the **Company** at **Trading Hall, 7, Lyons Range, Kolkata-700 001** on **Wednesday, the 23rd May, 2007** at **4.30 P.M.**

Signature of Shareholder _____

NOTE: Only Shareholders of the Company or their proxies will be allowed to attend the Meeting.

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PROXY FORM

THE CALCUTTA STOCK EXCHANGE ASSOCIATION LIMITED
Registered Office : 7, Lyons Range, Kolkata - 700 001

Share No./Folio No.:
No. of Shares held:

I/We..... of being a Member/Members of the above named Company, hereby appoint Mr/Ms..... of or failing him Mr./Ms..... of or failing him Mr./Ms..... of as my/our proxy to vote for me/us on my/our behalf at the **Extraordinary General Meeting** of the **Company** to be held on **Wednesday** the **23rd May, 2007** at **4.30 P.M.** and any adjournment thereof.

As witness my/our hand(s) this day of2007.

Affix Re.1/- Revenue Stamp Here

Signature _____

NOTE: The Proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.