

## ***Notice of 29<sup>th</sup> Annual General Meeting***

Notice is hereby given that the 29<sup>th</sup> Annual General Meeting of the Members of M/s. ICL Fincorp Limited will be held on Wednesday, the 30<sup>th</sup> day of September, 2020 at 11.00 a. m. IST (“AGM”) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) facility to transact the following businesses:

### **Ordinary Businesses:**

#### ***1. Approval of Standalone Financial Statements of the Company for the Financial Year ended March 31, 2020.***

To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:-

**“RESOLVED THAT** the Standalone Financial Statements of the Company for the Financial Year ended March 31, 2020 including Balance Sheet as at March 31, 2020, Statement of Profit and Loss Account as at March 31, 2020 and Cash Flow Statement for the year ended as on that date together with Notes forming part of Accounts as audited and reported by the Auditors of the Company and the Directors’ Report, as circulated to the Members and laid before meeting, be and are hereby received, considered, approved and adopted.”

**2. Approval of Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2020.**

To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:-

**“RESOLVED THAT** the Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2020 including Balance Sheet as at March 31, 2020, Statement of Profit and Loss Account as at March 31, 2020 and Cash Flow Statement for the year ended as on that date together with Notes forming part of Accounts as audited and reported by the Auditors of the Company and the Directors’ Report, as circulated to the Members and laid before meeting, be and are hereby received, considered, approved and adopted.”

**3. Appointment of a Director in place of Mr. K. G. Anilkumar who retires by rotation and being eligible, offers himself for re-appointment.**

To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:-

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. K.G. Anilkumar, Managing Director (DIN: 00766739) of the Company, who retires by rotation at the 29<sup>th</sup> Annual General Meeting and being eligible offers himself for re-appointment, be and is hereby re - appointed as a Director of the Company, liable to retire by rotation.”

**4. Re - appointment of M/s. Mohandas & Associates, Chartered Accountants, Thrissur as the Statutory Auditors of the Company and fixation of remuneration.**

To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:-

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit & Auditors) Rules, 2014, as amended from time to time and pursuant to the recommendations of the Audit Committee and the Board of Directors, the consent of the Members of the Company be and is hereby accorded to the re - appointment of M/s. Mohandas & Associates (Firm Registration No. 02116S) Chartered Accountants, Sree Residency, 3<sup>rd</sup> Floor, Press Club Road, Thrissur, Kerala - 680001 as the Statutory Auditors of the Company for 5 (five) consecutive Financial Years commencing from 2020 - 2021 to 2024 – 2025 and to hold office from the conclusion of 29<sup>th</sup> Annual General Meeting to the conclusion of 34<sup>th</sup> Annual General Meeting for the Financial Year ending March 31, 2025, at a fixed remuneration of Rs.6,00,000/- (Rupees Six Lakhs Only) for the Financial Year 2020 – 2021, with an annual increment of 10% per annum for the rest of tenure of appointment, payable in one or more installments, exclusive of applicable taxes thereon and reimbursement of out-of-pocket expenses incurred and such other variable remuneration not exceeding 20% of the fixed remuneration for respective Financial Years, according to nature and volume of work and as may be mutually decided between the Auditors and the Board of Directors of the Company.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps, as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings, that may be required, on behalf of the Company, including filing of necessary forms and returns with the Ministry of Corporate Affairs, Reserve Bank of India and other concerned Authorities and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the resolution.”

### **Special Businesses**

#### **5. Appointment of Mr. Shinto Stanly as an Independent Director of the Company.**

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 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), regulations issued by the Reserve Bank of India and pursuant to the provisions of the Articles of Association of the Company, Mr. Shinto Stanly (DIN: 06534505), who was appointed as an Additional Director of the Company with effect from 03<sup>rd</sup> day of December, 2019 and holds office up to the date of 29<sup>th</sup> Annual General Meeting of the Company and being eligible for appointment and in respect of whom the Company has received a notice under the provisions of Section 160 of the Act, proposing candidature for the office of the Director,

be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 consecutive years i.e. from 03<sup>rd</sup> day of December, 2019 to 02<sup>nd</sup> day of December, 2024, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice."

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps, as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings, that may be required, on behalf of the Company, including filing of necessary forms and returns with the Ministry of Corporate Affairs, Reserve Bank of India and other concerned Authorities and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the resolution.”

***6. Appointment of Ms. Umadevi Anilkumar as the Whole Time Director of the Company and designated as “Whole Time Director and Chief Executive Officer” and revision of remuneration.***

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 Sections 196, 197, 198, 203 and any other applicable provisions, if any of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), regulations issued by the Reserve Bank of India and pursuant to the provisions of the Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to the appointment of

Ms. Umadevi Anilkumar (DIN: 06434467) as the Whole Time Director of the Company and designated as “Whole Time Director and Chief Executive Officer”, for a term of consecutive 5 Years effective from 01<sup>st</sup> day of September, 2020 to 30<sup>th</sup> day of August, 2025, on a monthly remuneration of Rs. 5,00,000/- (Rupees Five Lakhs Only), by way of salary, perquisites, allowances etc. for a period of three years effective from 01<sup>st</sup> day of September, 2020 to 30<sup>th</sup> day of August, 2023, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Sections 197, 198 and any other applicable provisions, if any of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V to the Companies Act, 2013 (including any statutory modifications or any re-enactment thereof for the time being in force), regulations issued by the Reserve Bank of India and pursuant to the provisions of the Articles of Association of the Company, consent of the Members be and is hereby accorded to ratify the remuneration paid to Ms. Umadevi Anilkumar, Whole Time Director (DIN: 06434467) of the Company amounting to Rs. 2,00,000/- (Rupees Two Lakhs Only) per month, by way of salary, perquisites, allowances etc. effective from 01<sup>st</sup> day of April, 2020 to 30<sup>th</sup> day of August, 2020.”

**“RESOLVED FURTHER THAT** where in any of the Financial Years commencing from 2020 – 2021 to 2022 – 2023, the Company has no profits or its profits are inadequate, the Company may pay to Ms. Umadevi Anilkumar, the above remuneration as the minimum remuneration by way of salary, perquisites and other allowances and benefits as specified above, subject to receipt of the requisite approvals, if any.”

**“RESOLVED FURTHER THAT** pursuant to the limits laid down in section 197 and computed in the manner laid down in section 198 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), in addition to the above minimum remuneration, Ms. Umadevi Anilkumar, Whole Time Director (DIN: 06434467) of the Company be and is hereby entitled to such commission based on the net profits of the Company for the Financial Years commencing from 2020 – 2021 to 2022 – 2023, not exceeding 1% (one percent) of such profits, as may be decided by the Nomination and Remuneration Committee and Board of Directors of the Company.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers conferred on it by or under the aforesaid resolution to any Director or to the Company Secretary, as it may consider appropriate in order to give effect to the resolution.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company, including filing of necessary forms and returns with the Ministry of Corporate Affairs, Reserve Bank of India and other concerned Authorities and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the resolution.”

**7. Revision of remuneration to Mr. K. G. Anilkumar, Managing Director of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and any other applicable provisions, if any of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V to the Companies Act, 2013 (including any statutory modifications or any re-enactment thereof for the time being in force), regulations issued by the Reserve Bank of India and pursuant to the provisions of the Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to revise the monthly remuneration of Mr. K.G. Anilkumar, Managing Director (DIN: 00766739) of the Company to Rs. 10,00,000/- (Rupees Ten Lakhs Only), by way of salary, perquisites, allowances etc. for a period of one year effective from 01<sup>st</sup> day of September, 2020 to 30<sup>th</sup> day of August, 2021, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Sections 197, 198 and any other applicable provisions, if any of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V to the Companies Act, 2013 (including any statutory modifications or any re-enactment thereof for the time being in force), regulations issued by the Reserve Bank of India and pursuant to the provisions of the Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to ratify the remuneration paid to Mr. K.G. Anilkumar, Managing Director (DIN: 00766739) of the Company amounting to Rs. 5,00,000/- (Rupees Five Lakhs



Only) per month, by way of salary, perquisites, allowances etc. effective from 01<sup>st</sup> day of April, 2020 to 30<sup>th</sup> day of August, 2020.”

**“RESOLVED FURTHER THAT** where in the Financial Year 2020 – 2021, the Company has no profits or its profits are inadequate, the Company may pay to Mr. K.G. Anilkumar, the above remuneration as the minimum remuneration by way of salary, perquisites and other allowances and benefits as specified above, subject to receipt of the requisite approvals, if any.”

**“RESOLVED FURTHER THAT** pursuant to the limits laid down in section 197 and computed in the manner laid down in section 198 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), in addition to the above minimum remuneration, Mr. K.G. Anilkumar, Managing Director (DIN: 00766739) of the Company be and is hereby entitled to such commission based on the net profits of the Company for the Financial Year 2020 – 2021, not exceeding 1% (one percent) of such profits, as may be decided by the Nomination and Remuneration Committee and Board of Directors of the Company.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers conferred on it by or under the aforesaid resolution to any Director or to the Company Secretary, as it may consider appropriate in order to give effect to the resolution.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings

that may be required, on behalf of the Company, including filing of necessary forms and returns with the Ministry of Corporate Affairs, Reserve Bank of India, and other concerned Authorities and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the resolution.”

### **8. Approval of Borrowing Limit.**

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

“**RESOLVED THAT** pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or amendments thereto or re-enactments thereof for the time being in force) and in terms of Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by the Resolution) to borrow any sum or sums of moneys from time to time from any one or more Banks, Company’s Directors, firms, Bodies Corporate, Financial Institutions, Insurance Companies, Mutual Funds, Trusts, Investment Institutions, any other persons or other acceptable sources (hereinafter also referred to as the “Lending Agencies”) whether by way of Secured or Unsecured Debentures (Non – Convertible or Convertible), Bonds, Commercial Papers, Securitised instruments such as floating rates notes, fixed rate notes etc., Securities with or without detachable warrants, with a right exercisable by the warrant holder(s) to convert or subscribe for Equity or Preference Shares, Long term or short term loans, advances and any other instruments or securities or otherwise permitted by law for the time being in force, designated in Indian

or foreign currency and on such terms and conditions as the Board may deem fit, notwithstanding that such sum or sums of monies to be borrowed, together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business), may exceed aggregate of its paid-up capital, free reserves and Securities Premium of the Company, provided that the total amount so borrowed by the Board shall not exceed Rs.1200,00,00,000/- (Rupees One Thousand and Two Hundred Crores Only), together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the Trustees under the Trust Deed and to the Lending Agencies under their respective Agreements/Loan Agreements entered/to be entered into by the Company in respect of the said borrowings."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers conferred on it by or under the aforesaid resolution to any Director or to the Company Secretary, as it may consider appropriate in order to give effect to the resolution."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company, including filing of necessary forms and returns with the Ministry of Corporate Affairs and other concerned Authorities and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the resolution."

**9. Creation of mortgage or charge on the assets, properties or undertaking(s) of the Company.**

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

**“RESOLVED THAT** pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or amendments thereto or re-enactments thereof) and in terms of Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by the Resolution) to sell, lease or dispose of in any manner including but not limited to mortgaging, hypothecating, pledging or in any manner creating charge on all or any part of the present and future moveable or immovable assets or properties of the Company or the whole or any part of the undertaking(s) of the Company of every nature and kind whatsoever (hereinafter referred to as the “Assets”) and/or creating a floating charge on the Assets, together with the power to take over the management of the business and concern of the Company in certain events of default, to or in favour of Banks, Debenture Trustees, Firms, Bodies Corporate, Financial Institutions, Insurance Companies, Mutual Funds, Trusts, Investment Institutions, any other persons or any other lenders to secure the amount borrowed by the Company or Subsidiary(ies) of the Company from time to time for the due re-payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company in respect of the said borrowings provided that the aggregate indebtedness so secured by the assets do not at any time exceed

the value of limits approved under Section 180(1)(c) of the Act.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers conferred on it by or under the aforesaid resolution to any Director or to the Company Secretary, as it may consider appropriate in order to give effect to the resolution.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company, including filing of necessary forms and returns with the Ministry of Corporate Affairs and other concerned Authorities and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the resolution.”

***10. Investments, Loans, Guarantees and security in excess of limits specified under section 186 of Companies Act, 2013***

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

**“RESOLVED THAT** pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modifications or amendments thereto or re-enactments thereof) and in terms of Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include

any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by the Resolution) to give any loan(s) to any other body corporate or person and/or give any guarantee(s) or provide any security(ies) in connection with any loan(s) to any other body corporate or person and/ or to make any investments or acquisition by way of subscription, purchase or otherwise, the securities (including equity shares, preference shares, debentures, or any other kind of instruments, whether convertible or not) of other body corporate, whether in India or outside India, as may be considered appropriate, beneficial and in the interest of the Company, provided that the aggregate of the loans and investments so far made in and the amount or which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 300,00,00,000/- (Rupees Three Hundred Crore Only), over and above the limits available to the Company of 60% (Sixty Percent) of its paid up share capital, free reserves and securities premium account or 100% (One Hundred Percent) of its free reserves and securities premium account, whichever is more as prescribed under Section 186 of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers conferred on it by or under the aforesaid resolution to any Director or to the Company Secretary, as it may consider appropriate in order to give effect to the resolution.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required,

on behalf of the Company, including filing of necessary forms and returns with the Ministry of Corporate Affairs and other concerned Authorities and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the resolution.”

### ***11. Issuance of Equity Shares on Preferential Issue basis***

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

**“RESOLVED THAT** pursuant to the provisions of Sections 42, 62 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules 2014, and Rule 13 of Companies (Share Capital and Debenture) Rules 2014 (including any statutory modification thereof for the time being in force and as may be enacted from time to time) and in terms of Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by the Resolution) to offer, issue and allot 1,00,00,000 Equity Shares of face value of Rs.10/- (Rupees Ten Only) each for cash at an issue price of Rs.20/- (Rupees Twenty Only) for a total consideration of Rs.20,00,00,000/- (Rupees Twenty Crores Only) on preferential basis to Mr. K.G. Anilkumar, Promoter and Managing Director (DIN: 00766739) of the Company in one or more tranches, provided that the minimum price of Equity Shares so issued shall not be less than the price determined on the basis of valuation report of a Registered Valuer and on such terms and conditions, as stipulated in the Explanatory Statement attached and as the Board may deemed fit in its absolute discretion.”

**“RESLOVED FURTHER THAT** Equity Shares to be issued and allotted by the Board shall be subject to provisions of Memorandum of Association and Article of Association of the Company and shall rank pari-passu in all respect, including dividend with the existing Equity Shares of the Company.”

**“RESOLVED FURTHER THAT** Private Placement Offer Letter in Form PAS-4 together with Application Form, inviting to subscribe to the Equity Shares be and is hereby approved.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers conferred on it by or under the aforesaid resolution to any Director or to the Company Secretary, as it may consider appropriate in order to give effect to the resolution.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company, including filing of necessary forms and returns with the Ministry of Corporate Affairs and other concerned Authorities and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the resolution.”



## **12. Issue of Non - Convertible Securities.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 23, 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactments thereof for the time being in force) and subject to other applicable rules, regulations and guidelines issued by the Reserve Bank of India, as amended from time to time, the Memorandum and Articles of Association of the Company, any other applicable laws for the time being in force and subject to such other approvals, as may be required from regulatory authorities from time to time, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by the Resolution) to offer, issue and allot from time to time, Non-Convertible Securities including but not limited to Non-Convertible Debentures or Bonds, secured or unsecured, subordinate debentures/debts and such other debt instruments, in one or more series / tranches aggregating upto an amount not exceeding 1000,00,00,000/- (Rupees One Thousand Crores Only), on a private placement basis or public issue or otherwise, listed or unlisted, at par or at such premium or such discount, as may be decided by the Board to such person or persons, including one or more Companies, Bodies Corporate, Statutory Corporations, Commercial Banks, Lending

Agencies, Financial Institutions, Insurance Companies, Mutual Funds, Pension/Provident Funds and Individuals, as the case may be or to such other person/ persons as the Board may from time to time determine and consider proper and most beneficial to the Company and on such terms and conditions, as the Board may from time to time deem fit, proper and appropriate”.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers conferred on it by or under the aforesaid resolution to any Director or to the Company Secretary, as it may consider appropriate in order to give effect to the resolution.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company, including filing of necessary forms and returns with the Ministry of Corporate Affairs and other concerned Authorities and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the resolution.”

**13. Increase in Authorized Share Capital and amendment in the Capital clause of Memorandum of Association of the Company.**

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

**“RESOLVED THAT** pursuant to Sections 13, 61, 64 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or amendments thereto or re-enactments thereof for the time being in force) and in terms of Articles of Association of the Company and subject to applicable permissions, sanctions and approvals as may be required, consent of the Members of the Company be and is hereby accorded to increase the present Authorized Share Capital of the Company amounting to Rs. 60,00,00,000/- (Rupees Sixty Crores Only) consisting of 6,00,00,000 Equity Shares of Rs.10/- (Rupees Ten Only) each to Rs.100,00,00,000/- (Rupees One Hundred Crores Only) divided into 10,00,00,000 Equity Shares of Rs.10/- (Rupees Ten Only) each, which would rank *paripassu* in all respect with the existing Equity Shares.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Section 13, 61 and all other applicable provisions, if any, of the Companies Act, 2013, the existing Clause of the Memorandum of Association of the Company relating to the Share Capital be and is hereby altered by substituting in place thereof the following Clause:-

5. The Authorized Share Capital of the Company is Rs.100,00,00,000/- (Rupees One Hundred Crores Only) divided into 10,00,00,000 Equity Shares of Rs.10/- (Rupees Ten Only) each.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company, including filing of necessary forms and returns with the Ministry of Corporate Affairs and other concerned Authorities and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the resolution.”

***14. Alteration of Memorandum of Association of the Company with respect to the Other Object Clause, Liability Clause and numberings.***

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

**“RESOLVED THAT** pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or amendments thereto or re-enactments thereof for the time being in force), and subject to such terms, conditions, amendments or modifications if any, as may be required or suggested by the Registrar of Companies and any other appropriate authorities, the Memorandum of Association of the Company be altered as follows:

- a) Clause 3 (a) of the Objects clause of the Memorandum of Association of the Company be titled as ‘The objects to be pursued by the Company on its incorporation are:-.

- b) Clause 3 (b) of the Objects clause of the Memorandum of Association of the Company be titled as 'Matters which are necessary for furtherance of the objects specified in clause 3 (a) are:-.
- c) The Other Objects Clause of the Memorandum of Association of the Company be removed by completely deleting the clause 3 (C).
- d) The declarations as mentioned after the Other Objects Clauses of the Memorandum of Association be removed by completely deleting the same.
- e) The Clause 4 of the Liability Clause of the Memorandum of Association of the Company be altered by replacing and substituting the same with the following new clause:

4. The liability of the Members is limited to the amount unpaid, if any, on the shares held by them."

**“RESOLVED FURTHER THAT** necessary revision in numbering of the clauses of the Memorandum of Association of the Company shall be carried out.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers conferred on it by or under the aforesaid resolution to any Director or to the Company Secretary, as it may consider appropriate in order to give effect to the resolution.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in

relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company, including filing of necessary forms and returns with the Ministry of Corporate Affairs and other concerned Authorities and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the resolution.”

By Order of Board,  
For **ICL Fincorp Limited**

Sd/-

**K. G. Anilkumar**  
Managing Director  
(DIN: 00766739)

Place: Irinjalakuda

Date: 28.08.2020

## **Notes & Instructions**

1. The Explanatory Statement pursuant to Section 102 of the Act read with Rules setting out the material facts pertaining to the proposed resolutions and reasons thereof are annexed for your consideration and requisite action.
2. The Annual Report of the Annual General Meeting (hereinafter referred to as “AGM”) is being sent by e - mail to all the Members, whose names appear in the Register of Members / list of Beneficial Owners as furnished by the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the close of business hours on **Thursday, the 03<sup>rd</sup> day of September, 2020** and who have registered their e-mail address in respect of electronic holdings with the depository through the concerned Depository Participants and in respect of physical holding with the Company’s Registrar & Share Transfer Agent i.e. M/s. Cameo Corporate Services Limited (hereinafter referred to as “RTA”).
3. Members whose name appears on the Registrar of Members/ List of Beneficial owners as on the cut-off date will be considered for the purpose of remote e - voting and voting rights shall be reckoned on the paid-up value of shares registered in the name of the Members as on that date. A person who is not a Member as on the record date should treat this Notice for information purposes only. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, 23<sup>rd</sup> day of September, 2020 to Wednesday, the 30<sup>th</sup> day of September, 2020 (both days inclusive) for annual closing.
4. The Board of Directors has appointed M/s. Cameo Corporate Services Limited, having office at Subramanian Building, No.1, Club House Road,

Near Spencer's Signal, Anna Salai, Chennai, Tamil Nadu - 600002, as the Registrar and Share Transfer Agent of the Company for the Share Registry Work (Physical and Electronic).

5. The Board of Directors of the Company, vide meeting held on Thursday, the 27<sup>th</sup> day of August, 2020 has appointed Mr. K. G. Anilkumar, Managing Director (DIN: 00766739) of the Company, as the person responsible for the entire process of Annual General Meeting and e - voting.
6. The Board of Directors of the Company, vide meeting held on Thursday, the 27<sup>th</sup> day of August, 2020 has appointed Mr. Yacob Pothumuriyil Ouseph, Practising Company Secretary having office at 02<sup>nd</sup> Floor, Kalarikkal Building, Karingachira, Tripunithura, Kerala – 682301 as the Scrutinizer for scrutinizing e-voting process in a fair and transparent manner.
7. The Company has issued paper notice on Friday, the 28<sup>th</sup> day of August, 2020 in newspapers requesting all the members to register their permanent e - mail address. It is clarified that members are required to register their e - mail address, in respect of electronic holdings with the depositories/depository participant and in respect of physical holding with the RTA.
8. In view of the outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs (hereinafter referred to as "MCA") has vide its General Circular No. 20/2020 dated 05<sup>th</sup> May, 2020 read together with General Circular Nos. 14/2020 & 17/2020 dated 08<sup>th</sup> April, 2020 and 13<sup>th</sup> April, 2020 respectively (hereinafter collectively referred to as "MCA Circulars"), permitted the holding of Annual General Meeting through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (hereinafter



referred to as “the Act”) and the MCA Circulars, the AGM of the Company is being held through VC/OAVM, without the physical presence of the Members at a common venue.

9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
10. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
11. The Member’s log-in to the Video Conferencing platform using the remote e-voting credentials shall be considered for record of attendance at the AGM and such Member attending the Meeting will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

12. Pursuant to the provisions of the Section 105 of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form and attendance slip are not annexed to this notice.
  
13. In line with the MCA Circulars, AGM Notice and Annual Report is being sent through electronic mode to those Members whose e - mail addresses are registered with the Company/ RTA/ Depositories. The Notice calling the AGM and Annual Report has been uploaded on the website of the Company at [www.iclfincorp.com](http://www.iclfincorp.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com). In case a member is desirous of obtaining an e - mail of Annual Report, he/she may send an e - mail to [shareholder@iclfincorp.com](mailto:shareholder@iclfincorp.com).
  
14. In accordance with the Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India (hereinafter referred to as “ICSI”) read with Clarification/Guidance on applicability of Secretarial Standards – 1 and 2 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.

15. Corporate/Institutional Members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/Institutional Members (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy of the Board Resolution/Authority Letter, etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting or during the AGM. The said Resolution/Authorisation shall be sent to the Scrutinizer by e - mail through its registered email address to **csevoting@gmail.com**.
16. The voting period shall commence on **Sunday, the 27<sup>th</sup> day of September, 2020 at 10.00 a.m. IST** and ends on **Tuesday, the 29<sup>th</sup> day of September, 2020 at 05.00 p.m. IST**. The remote e - voting facility shall be disabled by the CDSL for e-voting thereafter.
17. The Scrutinizer will submit a consolidated Scrutinizer's Report to the Chairman/Director after the completion of scrutiny on remote e-voting as well as the venue e - voting at the Annual General Meeting on the 02<sup>nd</sup> day of October, 2020 at 05.00 p.m. at the Corporate of the Company at V.K.K. Building, Main Road, Irinjalakuda, Thrissur, Kerala – 680121 and will also be displayed on the website of the Company [www.iclfincorp.com](http://www.iclfincorp.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com).
18. The Resolution shall be deemed to be passed on the date of the Meeting, i.e. 30<sup>th</sup> day of September, 2020, subject to receipt of the requisite number of votes in favour of the Resolution.
19. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register

of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [shareholder@iclfincorp.com](mailto:shareholder@iclfincorp.com). The same will be replied by the Company suitably.

20. As per Sections 124 and 125 of the Act, the amount of unpaid or unclaimed dividend lying in unpaid dividend account for a period of seven (7) years from the date of its transfer to the unpaid dividend account and the underlying Equity Shares of such unpaid or unclaimed dividend, are required to be transferred to the Investor Education and Protection Fund established by the Central Government. Once the amount is so transferred, no claim shall lie against the Fund or the Company in respect of dividend amount thereafter. Shareholders are requested to send their claims, if any, for the Financial Year 2016-17 onwards, before the amount becomes due for transfer to the above Fund.
21. In case of any queries or grievances connected with the e – voting process, Members may contact the following official:

Mr. K. G. Anilkumar

Managing Director, M/s. ICL Fincorp Limited

V. K. K. Building, Main Road,

Irinjalakuda, Thrissur, Kerala – 680121

Ph: 85890 23110, E mail: [md@iclfincorp.com](mailto:md@iclfincorp.com)

22. The instructions for Shareholders for Remote E-Voting are as under:

- i. The voting period begins on **Sunday, the 27<sup>th</sup> day of September, 2020 at 10.00 a.m. IST** and ends on **Tuesday, the 29<sup>th</sup> day of September, 2020 at 05.00 p.m.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date (record date) ie. **Wednesday, the 23<sup>rd</sup> day of September, 2020** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  
- ii. The voting rights of the Members shall be in proportion to their shares of the Paid up Equity Share Capital of the Company, as on the cut-off date ie. **Wednesday, the 23<sup>rd</sup> day of September, 2020**. Voting rights in the e-voting cannot be exercised by a proxy, though corporate and institutional Members shall be entitled to vote through authorized representatives with proof of their authorization. The voting right of the Equity Share is one vote per Equity Share, registered in the name of the Member.
  
- iii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue. Further, once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently.
  
- iv. Procedures of E Voting:
  - a) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  
  - b) Click on “Shareholders” module.
  
  - c) Now enter your User ID

- For CDSL: 16 digits beneficiary ID.
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
- Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

Or

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e - services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e - services, click on **e - Voting** option and proceed directly to cast your vote electronically.

- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e - voting of any Company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

	<b>For Shareholders holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).

	Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.
<b>OR</b> Date of Birth (DOB)	If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- viii. After entering these details appropriately, click on “SUBMIT” tab.
- ix. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e - voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For shareholders holding shares in physical form, the details can be used only for e - voting on the resolutions contained in this Notice.

- xi. Click on the EVSN for the relevant **ICL Fincorp Limited** on which you choose to vote.
- xii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xvii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Shareholders can also cast their vote using CDSL’s mobile app “**m - Voting**”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.



23. Process for those Shareholders whose e - mail addresses are not registered with the depositories for obtaining login credentials for e - voting for the resolutions proposed in this Notice:

- i. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhaar Card) by e - mail to Company e - mail id [shareholder@iclfincorp.com](mailto:shareholder@iclfincorp.com) and to the RTA e - mail id [cameo@cameoindia.com](mailto:cameo@cameoindia.com).
- ii. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhaar Card) to Company e-mail id [shareholder@iclfincorp.com](mailto:shareholder@iclfincorp.com) and to the RTA e-mail id [cameo@cameoindia.com](mailto:cameo@cameoindia.com).

24. Instructions for Shareholders attending the AGM through VC/OAVM are as under:

- i. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e - voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

- ii. Shareholders are encouraged to join the Meeting through Laptops, Smartphones, Tablets and iPads for better experience. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
  
- iii. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **3 days prior to meeting** mentioning their name, demat account number/folio number, e - mail id, mobile number at Company email id **shareholder@iclfincorp.com**. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **3 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at Company email id **shareholder@iclfincorp.com**. These queries will be replied to by the Company suitably by email.
  
- iv. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

25. Instructions for Shareholders for e-voting during the AGM are as under:-

The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

- i. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
- ii. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- iii. Shareholders who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

#### 26. Note for Non – Individual Shareholders and Custodians

- i. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- iii. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- iv. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- v. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- vi. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer **csevoting@gmail.com** and to the Company at the email address **shareholder@iclfincorp.com**, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- vii. If you have any queries or issues regarding attending AGM & e-voting from the e-voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
- viii. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

***Item No. 4 – Re - appointment of M/s. Mohandas & Associates, Chartered Accountants, Thrissur as the Statutory Auditors of the Company and fixation of remuneration.***

The Board of Directors of the Company, on the recommendation of the Audit Committee, has proposed M/s. Mohandas & Associates (Firm Registration No. 02116S) Chartered Accountants, 3<sup>rd</sup> Floor, Sree Residency, Press Club Road, Thrissur, Kerala – 680001 as the Statutory Auditors of the Company for 5 (five) consecutive Financial Years commencing from 2020 - 2021 to 2024 - 2025. M/s. Mohandas & Associates is holding the office of the Statutory Auditors of the Company since the Financial Year 2015 – 2016. In accordance with the provisions of Section 139(1) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Mohandas & Associates were appointed as the Statutory Auditors of the Company at the 25<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> day of September, 2016 for a term of 4 years i.e. to hold office upto the Annual General Meeting for the Financial Year 2019 – 2020 and the Statutory Auditors would be completing 5 years as the Statutory Auditors of the Company at the ensuing Annual General Meeting ie. 29<sup>th</sup> Annual General Meeting. In accordance with Section 139(2) of the Companies Act, 2013 and Rule 6 of the Companies (Audit and Auditors) Rules, 2014, M/s. Mohandas & Associates is eligible for re-appointment for a term of 5 (five) Financial Years. The Company has also received consent and eligibility letter to act as the Statutory Auditors of the Company, in accordance with the provisions of Section 139 and Section 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

Terms and Conditions of re-appointment are as under:

Term of Appointment	5 (five) consecutive Financial Years commencing from 2020 - 2021 to 2024 – 2025 and to hold office from the conclusion of 29 <sup>th</sup> Annual General Meeting to the conclusion of 34 <sup>th</sup> Annual General Meeting for the Financial Year ending 31 <sup>st</sup> March, 2025.
Proposed Audit Fees	Fixed remuneration of Rs.6,00,000/- (Rupees Six Lakhs Only) for the Financial Year 2020 – 2021 with an annual increment of 10% per annum for the rest of tenure of appointment, payable in one or more installments, exclusive of applicable taxes thereon and reimbursement of out-of-pocket expenses incurred and such other variable remuneration not exceeding 20% of the fixed remuneration for respective Financial Years, according to nature and volume of work and as may be mutually decided between the Auditors and the Board of Directors of the Company.

The proposed fees is based on knowledge, expertise, industry experience, time and efforts required to be put in by M/s. Mohandas & Associates during association with the Company. The proposed fees are also in line with the industry benchmarks. The fees for services in the nature of limited review, statutory certifications and other professional work will be in addition to the audit fee as above and will be decided by the management in consultation with the Auditors.

A brief profile of M/s. Mohandas & Associates is annexed hereto for reference and evaluation.

Sl. No.	Particulars	Response
01.	Name and address of the Firm	M/s. Mohandas & Associates, Chartered Accountants Sree Residency, 3 <sup>rd</sup> Floor, Press Club Road, Thrissur, Kerala – 680001 Ph: 0487 2333124, 2321290 Email: ma.auditors2gmail.com
02.	PAN of Firm	AADFM8074D
03.	Firm Registration Number	02116S
04.	Terms & Conditions of Appointment	As explained above
05.	Nationality	Indian
06.	Date of Establishment	01.09.1986
07.	Details of Partners and Educational/professional qualifications	1) Mr. Mohandas A BSC, FCA  2) Mr. G. Anoop B.Com, FCA, DISA(ICAI)

		<p>3) Ms. Mini Chandrankaipulli FCA, CIFR,DISA(ICAI)</p> <p>4) Mr. Sohanlal M.S. M.com, FCA, DISA(ICAI)</p> <p>5) Mr. Rakhi K. R. ACA</p>
08.	Experience	Around 34 years of experience in accounts, audit, taxation and allied matters
09.	Details of Remuneration for the Financial Year 2019 - 2020	Rs.5,50,000/-
10.	Date of first appointment as Statutory Auditors	Appointed as Statutory Auditors in Casual Vacancy for the Financial Year 2015 – 2016 vide. Extra Ordinary General Meeting held as on 07 <sup>th</sup> day of March, 2016
11.	Relation with other Directors, Managers or Key Managerial Personnel	Not Applicable
12.	Shareholding in the Company a) As on 31.03.2020 b) As on 21.08.2020	Nil Nil



<p>13.</p>	<p><b>Brief Resume</b></p> <p>M/s. Mohandas &amp; Associates is an old and well established Chartered Accountancy firm, having been setup in the year 1986 and established as an independent Indian partnership firm in 1995. The firm is head-quartered in Thrissur District of Kerala and its operations are adequately supported by 5 partners and 50 staffs. All the partners are equipped with adequate professional qualification, skill and knowledge and are in full time practice. With a track record of over three decades, the firm is providing services in the field of Accounting, Audit (Statutory/Internal), Taxation, Management Consultancy and other allied areas. The firm has been Statutory Auditors of large reputed Companies including Non – Banking Finance Companies, Listed Companies, Banks, Government Companies etc. and carries a good professional track-record. Multi-disciplinary experience, timely service, online interaction/solutions, ethical values, professional excellence, integrity confidentiality etc. paves the Firm to a strong standing and brand name in Kerala.</p>
<p>14.</p>	<p><b>Performance Evaluation</b></p> <p>M/s. Mohandas &amp; Associates has exercised duties with due and reasonable care, skill and diligence, along with cent percent independent judgment and in the best in the interest of the Members of the Company. M/s. Mohandas &amp; Associates has complied with all the guidelines with respect to the professional conduct, role, functions and duties, as mentioned under the provisions of the Companies Act, 2013.</p>

	<p>The performance evaluation criteria for accessing the re - appointment of Statutory Auditors inter-alia, includes factors like participation at General Meetings, Audit Committees, Managing Relationship with Board Members, Knowledge and skill, Personal attributes like ethics and integrity, independent judgment with regard to auditing and reporting, corporate governance improvement suggestions, knowledge about the Company and external environment in which it operates, confidentiality level, adherence to the applicable code of conduct for Independent Auditors etc.</p>
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The Board is of the view that the continued association of M/s. Mohandas & Associates and rich experience in the audit field would definitely benefit the Company. Further, M/s. Mohandas & Associates also possess appropriate skills, expertise and competencies in the context of the Company's present and proposed businesses. In the opinion of the Board, M/s. Mohandas & Associates fulfills the conditions specified in the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 for the proposed re-appointment as the Statutory Auditors of the Company and is independent of the management. Hence, your Board recommends the re - appointment of M/s. Mohandas & Associates as the Statutory Auditors of the Company for a term of 5 (five) consecutive Financial Years commencing from 2020 - 2021 to 2024 - 2025 and to hold office from the conclusion of 29<sup>th</sup> Annual General Meeting to the conclusion of 34<sup>th</sup> Annual General Meeting for the Financial Year ending 31<sup>st</sup> March, 2025, at a fixed remuneration of Rs.6,00,000/- (Rupees Six Lakhs Only) for the Financial Year 2020 - 2021 with an annual increment of 10% per annum for the rest of tenure of appointment, payable in one or more installments, exclusive of applicable taxes thereon and reimbursement of out-of-pocket expenses

incurred and such other variable remuneration not exceeding 20% of the fixed remuneration for respective Financial Years, according to nature and volume of work and as may be mutually decided.

Pursuant to the provisions of Section 139 (1) of the Companies Act 2013, an individual or a firm shall be appointed as the Statutory Auditors of the Company in a General Meeting by way of Ordinary Resolution. Hence, the proposed resolution is recommended for the consideration and approval of the Members of the Company.

Copy of draft Letter of Appointment constituting terms and conditions of appointment and other allied documents, being referred in the resolution would be available for inspection by the Members free of cost, in physical or electronic form during business hours ie, 09.30 a.m. to 05.30 p.m. at the Registered Office and Corporate Office of the Company and at the ensuing Annual General Meeting.

None of the Directors or Key Managerial Personnel or other relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

***Item No. 5 - Appointment of Mr. Shinto Stanly as an Independent Director of the Company.***

The Board of Directors of the Company, on the recommendation of the Nomination & Remuneration committee, had appointed Mr. Shinto Stanly (DIN: 06534505), as an Additional Director (Independent) of the Company with effect from 03<sup>rd</sup> day of December, 2019. Pursuant to Section 161(1) of the Companies Act 2013, Mr. Shinto Stanly shall hold office only upto the date of 29<sup>th</sup> Annual General Meeting. The Company has received notice

under Section 160 of the Companies Act, 2013 signifying candidature of Mr. Shinto Stanly for Directorship of the Company. The Company has also received consent to act as a Director of the Company in form DIR 2, declaration that he is not disqualified from being appointed as a Director of the Company in Form DIR 8 and Declaration of Independence and compliance under Section 149 (6) of the Companies Act, 2013.

Disclosures under Secretarial Standard - 2, issued by the Institute of Company Secretaries of India is detailed as below.

Sl. No.	Particulars	Response
01.	Name	Mr. Shinto Stanly
02.	Director Identification Number (DIN)	06534505
03.	Terms & Conditions of Appointment	Independent Director for a period of five consecutive years with effect from 03.12.2019 to 02.12.2024. During the tenure, Mr. Shinto Stanly may receive sitting fees under Section 197 (5) of the Companies Act, 2013 and other reimbursement of expenses for participation in the Board and other Committee Meetings.
04.	Nationality	Indian

05.	Date of Birth Age as on the date of Application	17.01.1986, 34 Years
06.	Business Address (along with Phone, Fax and Email)	Elenjickal House, Edavilangu P.O., Kodungallur, Thrissur, Kerala - 680671 Mob : 8589001421 Email: shintodirector@gmail.com
07.	Residential Address (along with Phone, Fax and Email) with supporting document	Elenjickal House, Edavilangu P.O., Kodungallur, Thrissur, Kerala - 680671 Mob : 8589001421 Email: shintodirector@gmail.com
08.	Educational/professional qualifications	1. Associate Company Secretary 2. Chartered Financial Analyst 3. Master of Financial Analysis 4. Master of Business Administration 5. Bachelor of Commerce
09.	Experience if any, in the Financial Services Sector (including Banking Sector)	Having approximately 10 years of experience in the Finance & Secretarial field.
10.	Details of Remuneration for the Financial Year 2019 - 2020	Sitting Fees for 4 Board Meetings – Rs.40,000/-

11.	Designation and Date of first appointment on Board	Additional Director (Independent) w.e.f 03.12.2019
12.	Relation with other Directors, Managers or Key Managerial Personnel	Not Applicable
13.	Number of Board Meetings attended during the a) Financial Year 2019 - 2020 b) Financial Year 2020 - 2021	4 meetings 2 meetings
14.	Name(s) of other organizations or entities or associations or Unincorporated entities in which the person has held the post of Chairman or Managing Director or Director or Chief Executive Officer or associated with the above entities in any other capacity. Indicating the activity of the Company and regulators, if any	Not Applicable
15.	Memberships / Chairmanships of Committees of the Board	<u>ICL Fincorp Limited</u> a. Audit Committee (Chairman)

		<p>b. Nomination &amp; Remuneration Committee (Chairman)</p> <p>c. Stakeholders Relationship Committee (Chairman)</p>
16.	Directorship and Membership of Committees of the Board in Listed entities	Nil
17.	Shareholding in the Company a) as on 31.03.2020 b) as on 21.08.2020	<p>Nil</p> <p>Nil</p>
18.	<p>Brief Resume</p> <p>Mr. Shinto Stanly, having rich experience of 10 years in corporate field, is a member of The Institute of Company Secretaries of India and also a member of the Institute of Chartered Financial Analysts of India, Tripura. He also holds Post Graduate Degrees including Master of Financial Analysis (MFA) and Master of Business Administration (HRM). He has vast experience and expertise in the field of Corporate Secretarial, Accounts and allied businesses of Non - Banking Financial Companies, Manufacturing Companies, Multi - National Companies etc. Presently, he is a Strategic Consultant to various Finance Companies and Multi National Business oriented Companies in Kerala. Being a Practicing</p>	

	Professional, his vision is to provide entire business services to needy and promote the business community.
19.	<p>Performance Evaluation</p> <p>Mr. Shinto Stanly has awarded with 100% attendance at Board Meetings and various Committee Meetings and actively participated throughout the meetings. The Board evaluated and confirmed that the said Director has exercised duties with due and reasonable care, skill and diligence, along with cent percent independent judgment and in the best in the interest of the Company. Mr. Shinto Stanly has complied with all the guidelines with respect to the professional conduct, role, functions and duties, as mentioned in the Schedule IV to the Companies Act, 2013.</p> <p>The performance evaluation criteria for accessing the re – appointment or regularization of Independent Directors, inter-alia, includes factors like participation at Board/Committee Meetings, Managing Relationship with fellow Board Members, Knowledge and skill, Personal attributes like ethics and integrity, independent judgment with regard to corporate strategy, performance, risk management, corporate governance implementation, knowledge about the Company and external environment in which it operates, confidentiality level, adherence to the applicable code of conduct for Independent Directors etc.</p>

The Board is of the view that the continued association of Mr. Shinto Stanly and rich experience and knowledge in the financial and secretarial sectors would definitely benefit the Company and support the Board to discharge its



functions and duties effectively. Further, Mr. Shinto Stanly also possess appropriate skills, expertise and competencies in the context of the Company's present and proposed businesses. In the opinion of the Board, Mr. Shinto Stanly fulfills the conditions specified in the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 for the proposed appointment as an Independent Director of the Company and is independent of the management. Further, Mr. Shinto Stanly is not disqualified from being appointed as Director in terms of section 164 of the Act. Further to the consideration of performance evaluation covering various aspects including attendance and level of participation, interpersonal relationship, independent judgement, understanding of roles and responsibilities etc., Mr. Shinto Stanly may be appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from 03.12.2019 till 02.12.2024.

Mr. Shinto Stanly shall be paid sitting fees for attending the meetings of the Board and Committees thereof, according to the Remuneration Policy of the Company. Pursuant to the provisions of Section 152 (2) of the Companies Act, 2013, every Director shall be appointed in a General Meeting by way of Ordinary Resolution. Further, manner of appointment as mentioned in para IV (2) of Schedule IV to the Companies Act, 2013 mandates the appointment of Independent Director to be approved in the General Meeting by way of Ordinary Resolution. Hence, the proposed resolution is recommended for the consideration and approval of the Members of the Company.

Copy of draft letter of appointment constituting terms and conditions of appointment and other allied documents, being referred in the resolution would be available for inspection by the Members free of cost, in physical or electronic form during business hours ie, 09.30 a.m. to 05.30 p.m. at the

Registered Office and Corporate Office of the Company and at the ensuing Annual General Meeting.

Save and except Mr. Shinto Stanly, to the extent of shareholding interest, if any, in the Company, none of the other Directors or Key Managerial Personnel or other relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

***Item No. 6 - Appointment of Ms. Umadevi Anilkumar as the Whole Time Director of the Company and designated as “Whole Time Director and Chief Executive Officer” and revision of remuneration.***

The Members at the 22<sup>nd</sup> Annual General Meeting held on 30<sup>th</sup> day of September, 2013 had appointed Ms. Umadevi Anilkumar (DIN: 06434467) as a Director of the Company, liable to retire by rotation. In supersession to earlier resolutions, the Members vide. 27<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> day of September, 2018 had also approved a minimum remuneration of Rs.1,50,00,000/- (Rupees One Lakh and Fifty Thousand Only) per month.

The Members are hereby informed that the Board of Directors of the Company had, on the recommendation of the Nomination & Remuneration Committee, appointed Ms. Umadevi Anilkumar (DIN: 06434467) as the Whole Time Director of the Company and designated as “Whole Time Director and Chief Executive Officer” of the Company, for a term of consecutive 5 Years effective from 01<sup>st</sup> day of September, 2020 to 30<sup>th</sup> day of August, 2025, subject to Schedule V to the Act and approval of the Members of the Company.

Considering the performance exhibited by Ms. Umadevi Anilkumar in the challenging market environment, expansion of businesses etc. and to bridge

the compensation gap as reflected in the peer benchmarking exercise carried out by the Company, the Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee had revised the monthly remuneration of Ms. Umadevi Anilkumar from Rs.1,50,00,000/- (Rupees One Lakh and Fifty Thousand Only) to Rs.2,00,000/- (Rupees Two Lakhs Only) effective from 01<sup>st</sup> day of April, 2020 to 30<sup>th</sup> day of August, 2020, subject to Schedule V to the Act and approval of the Members.

Further to the appointment of Ms. Umadevi Anilkumar as the Whole Time Director and Chief Executive Officer of the Company, your Board, on recommendation of the Nomination and Remuneration Committee, revised the monthly remuneration to Rs. 5,00,000/- (Rupees Five Lakhs Only), by way of salary, perquisites, allowances etc. for a period of three years effective from 01<sup>st</sup> day of September, 2020 to 30<sup>th</sup> day of August, 2023, subject to Schedule V to the Act and approval of the Members.

The Board is taking continued efforts to expand the branches to different parts of the Country and to increase diversified businesses and the same will be rewarding both in financial and non - financial terms in coming Financial Years. The Members are hereby informed that the net profits of the Company for the Financial Year 2019 - 2020 is inadequate for the payment of proposed managerial remuneration. Further, due to the proposed expansion of branches, the Company may likely to have inadequate profits in the coming few years also. In case of no profits or inadequacy of profits as calculated under Section 198 of the Companies Act, 2013, the Company may pay remuneration in accordance with the provisions of Schedule V to the Companies Act, 2013. Being the Company is under a remarkable progress under the present management and considering the current market position, your Board recommends the above remuneration, exclusive

of the out of pocket expenses, as minimum remuneration payable to Ms. Umadevi Anilkumar. The said minimum remuneration proposed is appropriate and in the best interest of the Company.

In addition to the minimum remuneration as above, considering the growth of the Company in non – financial terms, managerial remuneration, if approved by the Nomination and Remuneration Committee, commission based on the net profits of the Company for the Financial Years commencing from 2020 – 2021 to 2022 – 2023 during the tenure of appointment not exceeding 1% (one percent) of such profits may also be provided.

Disclosures under Secretarial Standard - 2, issued by the Institute of Company Secretaries of India is detailed as below.

Sl. No.	Particulars	Response
01.	Name	Ms. Umadevi Anilkumar
02.	Director Identification Number (DIN)	06434467
03.	Terms & Conditions of Appointment	Whole Time Director and Chief Executive Officer of the Company, for a term of consecutive 5 Years effective from 01 <sup>st</sup> day of September, 2020 to 30 <sup>th</sup> day of August, 2025.  Monthly remuneration of Rs. 5,00,000/- (Rupees Five Lakhs

		<p>Only), for a period of three years effective from 01<sup>st</sup> day of September, 2020 to 30<sup>th</sup> day of August, 2023.</p> <p>Commission based on the net profits for the Financial Years commencing from 2020 – 2021 to 2022 – 2023 not exceeding 1% (one percent) of such profits, according to the performance of the Company and subject to the approval of Nomination and Remuneration Committee and Board of Directors.</p>
04.	Nationality	Indian
05.	Date of Birth Age as on the date of application	06.04.1972, 48 Years
06.	Business Address (along with Phone, Fax and Email)	<p>V. K. K. Building, Main Road, Irinjalakuda, Thrissur, Kerala – 680121</p> <p>Mob : 9605353125, Email: ceo@iclfincorp.com</p>
07.	Residential Address (along with Phone, Fax and Email) with supporting document	<p>Errekheth House, Sugrtham, Santhi Nagar, Irinjalakuda, North P. O., Thrissur, Kerala, India - 680125,</p> <p>Mob : 9605353125, Email: ceo@iclfincorp.com</p>

08.	Educational/professional qualifications	B.Com; MBA
09.	Experience if any, in the Financial Services Sector (including Banking Sector), including name of the Company, designation held, Experience in years etc.	Having approximately 10 years of Experience in the Non - Banking Financial Sector and other related areas.
10.	Details of Remuneration for the Financial Year 2019 - 2020	Rs.18,00,000/-
11.	Designation and Date of first appointment on Board	Director w.e.f 21.03.2013
12.	Relation with other Directors, Managers or Key Managerial Personnel	Spouse of Mr. K. G. Anilkumar, Managing Director of the Company
13.	Number of Board Meetings attended during the a) Financial Year 2019 - 20 b) Financial Year 2020 - 21	10 meetings 2 meetings
14.	Name(s) of other organizations or entities or associations or	1) Salem Erode Investments Limited (Director)

	<p>Unincorporated entities in which the person has held the post of Chairman or Managing Director or Director or Chief Executive Officer or associated with the above entities in any other capacity. Indicating the activity of the Company and regulators, if any</p>	<p>Activity – NBFC</p> <p>2) ICL Chits Limited (Director)</p> <p>Activity – Chits</p> <p>3) ICL Tours and Travels Private Limited (Managing Director)</p> <p>Activity – Tours and Travels</p> <p>4) ICL Nidhi Limited (Director)</p> <p>Activity - Nidhi</p> <p>5) Snow View Tex Collections Private Limited (Managing Director)</p> <p>Activity – Retail trade of textiles and garments</p> <p>6) ICL Medilab Private Limited (Director)</p> <p>Activity – Medical</p>
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<p>15.</p>	<p>Memberships / Chairmanships of Committees of the Board</p>	<p><u>Salem Erode Investments Limited</u></p> <p>a. Audit Committee (Member)</p> <p>b. Stakeholders Grievance Committee (Member)</p> <p>c. Nomination and Remuneration Committee (Member)</p> <p>d. Corporate Social Responsibility Committee (Member)</p> <p><u>ICL Fincorp Limited</u></p> <p>a. Stakeholders Relationship Committee (Member)</p> <p>b. Risk Management Committee (Member)</p> <p>c. Asset Liability Management Committee (Member)</p>
<p>16.</p>	<p>Directorship and Membership of Committees of the Board in Listed entities</p>	<p><u>Salem Erode Investments Limited</u></p> <p>a. Non – Executive Director</p> <p>b. Audit Committee (Member)</p>



		<p>c. Stakeholders Grievance Committee (Member)</p> <p>d. Nomination and Remuneration Committee (Member)</p> <p>e. Corporate Social Responsibility Committee (Member)</p>
17.	<p>Shareholding in the Company</p> <p>a) as on 31.03.2020</p> <p>b) as on 21.08. 2020</p>	<p>40,99,799 Equity Shares (9.25%)</p> <p>41,01,799 Equity Shares (9.25%)</p>
18.	<p>Brief Resume</p> <p>Ms. Umadevi Anilkumar, wife of Mr. K.G. Anilkumar is a woman of determination and vision. She describes entrepreneurship as the path that allowed her to break the glass ceilings of the corporate world. She has done graduation in B.com and Post-Graduation in Business Management (MBA). Further studies on LLB are going on, which will be a mile stone of professional career. She is an Executive Director of M/s. ICL Fincorp Limited and is strong backbone behind the success of the Company. Being a confessed workaholic, the success of Ms. Umadevi Anilkumar is reinventing herself and her business. She has been involved in the operations and growth of the business empire since its inception. She has drastically transformed herself from</p>	

	<p>being a homemaker to the level of being a woman entrepreneur and had taken serious steps to be more professional, devoting her entire time for the growth of the Company.</p>
<p>19.</p>	<p><b>Performance Evaluation</b></p> <p>Ms. Umadevi Anilkumar has awarded with 100% attendance at Board Meetings, General Meeting and various Committee Meetings and actively participated throughout the meetings. The Board evaluated and confirmed that the said Director has exercised duties with due and reasonable care, skill and diligence, along with cent percent independent judgment and in the best in the interest of the Company. Ms. Umadevi Anilkumar has complied with all the guidelines with respect to the professional conduct, role, functions and duties, as mentioned in the Companies Act, 2013.</p> <p>The performance evaluation criteria for accessing the appointment or regularization of Directors, inter-alia, includes factors like participation at Board/Committee Meetings, Managing Relationship with fellow Board Members, Knowledge and skill, Personal attributes like ethics and integrity, independent judgment with regard to corporate strategy, performance, risk management, corporate governance implementation, knowledge about the Company and external environment in which it operates, confidentiality level, adherence to the applicable code of conduct for Directors etc.</p>

Information as per Schedule V to the Companies Act, 2013 is as under:

I. General Information:

01.	Nature of Industry	Non - Banking Financial activities
02.	Date or expected date of commencement of commercial production	Not applicable
03.	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
04.	Financial performance based on given indicators	Financial performance for the Financial Year 2019 – 2020  Gross Revenue – Rs.57,02,16,165/- Profit after Tax – Rs. 57, 31,734/- Dividend – Nil EPS – 0.15
05.	Foreign investments or collaborations, if any.	Not applicable

II. Information about the Directors to whom remuneration is payable as mentioned above.

01.	Background Details	Detailed in brief resume as above
02.	Past Remuneration	Rs.1,50,000/- per month
03.	Recognition or awards	Detailed in brief resume as above
04.	Job Profile and suitability	Detailed in brief resume as above and as in Explanatory Statement
05.	Remuneration proposed	Rs.5,00,000/- per month for a term of three years.  1% Net Profits of the Company as Commission for the Financial Years 2020 – 2021 to 2022 - 2023, subject to the approval of Nomination and Remuneration Committee and Board of Directors from time to time.
06.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be	The Company requires expertise for appropriate fund allocation, optimum utilization of various resources in the business etc. Ms. Umadevi Anilkumar has successfully proved expertise in the said areas in very effective manner.

	with respect to the country of his origin)	Considering the Covid 9 impact, your Board is of the view that Ms. Umadevi Anilkumar could play a vital and inevitable role to overcome the economic crisis, which may arises. The remuneration proposed is commensurate with other organisations of the similar type, size and nature.
07.	Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any	<p>a) Ms. Umadevi Anilkumar is holding 41,01,799 numbers of Equity Shares, constituting 9.25% percentage voting power in the Company as on 21.08.2020.</p> <p>b) Mr. K.G. Anilkumar, Managing Director of the Company, being Spouse of Ms. Umadevi Anilkumar is holding 1,29,32,050 numbers of Equity Shares, constituting 29.17% percentage voting power in the Company as on 21.08.2020.</p>

### III. Other Information:

01.	Reasons of loss or inadequate profits
	The total revenue for the Financial Year 2019 - 2020 was

Rs. 56,87,57,303/- (Rupees Fifty Six Crores Eighty Seven Lakhs Fifty Seven Thousand Three Hundred and Three Only) compared to the Financial Year 2018 -2019 of Rs. 48,88,12,246/- (Rupees Forty Eight Crores Eighty Eight Lakhs Twelve Thousand Two Hundred and Forty

Six Only), which was an increment of 16.35%. The net profit ratio was 38.69 times when compared to the Financial Year 2018 - 2019. The Net Profit after tax for the Financial Year 2019 - 2020 is Rs. 57, 31,734 /- (Rupees Fifty Seven Lakhs Thirty One Thousand Seven Hundred and Thirty Four Only). The expenses for the current year were 14.56% higher than the previous year.

COVID 19 had been affecting even the well capitalized Companies who – absent COVID 19 – would have been profitable. But, the Company have managed to have a better position with regard to liquidity and business outlook by working capital improvements. The initial nation-wide lock down was announced on March 25, 2020 which lasted up to April 14, 2020 which witnessed a period where the disbursements were totally stopped. Since the main business is Gold Loans, the Company cannot operate without opening branches and accepting the collateral. The spread of the pandemic had hit the business of the Company even from February, 2020 onwards.

The branch network of the Company has increased from 142 to 164 during the current year. The promotional and inauguration expenses for expansion of branch network are a factor for low/ inadequate profits in spite of improved operations. The Company has made significant efforts and expenditure for enhancement of the branch presence across geographies in south India. The fruits of the expansion activity carried out are in the ripening stage and would be reflecting in the profitability

	<p>of coming years as well.</p> <p>The impairment loss allowance during the Financial Year could have been further brought down to benefit the profit edge, should the Company be able to conduct the auctions as scheduled. But, the auctions which were planned during February and March, 2020 could not be conducted due to operational disparities caused by the COVID 19 pandemic.</p> <p>The adoption of Ind AS is a significant change in the financial reporting framework used by the Non-Banking Finance Companies to report their financial results. The Ind AS standards apply not only to the Company which fulfills the net worth criterion but also to its holding, subsidiary, associate and joint ventures. Hence, the Company has also converged its accounts into Ind AS reporting due to applicability of those standards pursuant to acquisition of the listed subsidiary M/s. Salem Erode Investments Limited. Hence, the required impairment provisions have been made and the previous year figures have been adjusted by cumulative impact of the restatements.</p>
02.	Steps taken or proposed to be taken for improvement
	<p>The first strength that the Company feels will help in improving its profitability even during the economically distress scenario is the stability in the inflow of Debentures when compared to normal scenario even during the times of lockdown across the nation. The reduction in rates of Interest in banks is an added advantage to attract and channelize funds to the Company from even new investors. Hence, by the end of May, 2020, the working capital position of the Company was almost back to normal even though the pandemic spread impact had</p>

not stabilized. The demand for gold loans is high in the market and adequacy of funds will be the trigger and the Company would be able to grow its loans portfolio thereby resulting in better AUM, increased revenue and improved profitability.

As mentioned earlier, during the lock down period commencing from 25.03.2020 up to 18.04.2020 the Company witnessed a period where the disbursements were totally stopped. Since the main business of the Company is Gold Loans, the Company could not operate without opening branches and accepting the collateral. But even though the growth in the asset side was hit slightly, the Company managed collection efficiency by offering customers the option to make remittances through online banking/ phone transfers and other electronic modes. The management had waived off the penal/ additional interest burden on the loans remittances which were due during the lock down days. Hence, customers were ready to co-operate and make remittances of their dues once the relaxation was granted to the lock down condition. This ensured that the collection efficiency is not hit badly and facilitated revenue generation as well.

In the context of the rising gold prices, the Company had lowered LTV to 70%, keeping in mind the asset quality post the lock down period. Because, even though AUM might grow, if the Company keep LTV higher, there is a risk of the account running in to NPA and as of now there is restrictions on auctions too. The Company focus on maintaining the asset quality and also serving the existing customer base of the Company effectively. The management also has decided to bring in new schemes for gold loans in order to facilitate the growth in AUM. Even though the LTV has been lowered, considerably negative impact has not been experienced till date which shows the strong



	<p>presence of the Company through its branches spread across South India.</p> <p>The sales and marketing team of the Company has planned to push in many offer based incentives and attractive prizes both to branch staff and customers. This will ensure that the customers make prompt repayments to avail the rebates in interest and the Company can maintain its collection efficiency. In order to widen the customer base and thereby increase the reach of the brand, many small budget business promotion activities are also being carried out.</p> <p>The Company had in its vision, expansion into northern geographies during the year 2020 - 2021. But the same has to be put for rethinking based on the prevailing COVID 19 pandemic scenario. Hence, immediate capital expenditures are not in picture.</p> <p>Since, the demand for gold loans are high in the market, the Company would be able to manage its operational efficiency provided adequacy of funds are ensured. The same would be crystalized through an upcoming public issue of debentures for Rs. 100 crores. This being the first public issue in the history of the Company, needs a lot of paper works and procedural compliances which are in progress with the help of the merchant bankers appointed for this purpose. Earlier this was planned by mid of June, 2020 which had to be postponed in the light of the COVID 19 disruptions in operations.</p>
03.	Expected increase in productivity and profits in measurable terms
	<p>With political clarity, the business and consumer confidence are expected to improve in the coming financial years, geared with a</p>

<p>streamlined organizational design, the Company intends to grow its financial businesses. The Company expects that with the improvement in consumer sentiment and increased consumer spending will enable the growth momentum to pick up. The management continuous to be cautiously optimistic towards the external economic environment and expects consumer demand to become more consistent and robust in the current financial year. Further, various policy decisions taken would act as growth channel for the Company which would contribute in increased revenues and higher margins.</p>
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#### IV. Disclosures

The remuneration package of Ms. Umadevi Anilkumar is as given above. The Explanatory Statement together with other allied documents, being referred in the resolution shall be construed to be memorandum setting out the terms of the appointment as specified under Section 190 of the Companies Act, 2013.

The Board is of the view that the continued association of Ms. Umadevi Anilkumar, as the Whole Time Director and Chief Executive Officer of the Company and rich experience and knowledge in the financial and administration sectors would definitely benefit the Company. Further, Ms. Umadevi Anilkumar also possesses appropriate skills, expertise and competencies in the context of the Company's present and proposed businesses.

Pursuant to the provisions of Section 196 (4) of the Companies Act 2013, appointment of Whole Time Director along with the terms and conditions of such appointment and remuneration payable shall be approved in a General Meeting by way of Ordinary Resolution. Further para 1 of Part III of

Schedule V to the Companies Act, 2013 mandates the appointment and remuneration of Managerial Personnel to be approved in the General Meeting by way of Resolution. As the Managerial Remuneration and Commission based Profits recommended to Ms. Umadevi Anilkumar may exceed the ceiling limits prescribed under Table A of Section II of Part II of Schedule V to the Companies Act, 2013, the proposed resolution is recommended for the consideration and approval of the Members of the Company by way of Special Resolution.

Copy of draft letter of appointment constituting terms and conditions of appointment and other allied documents, being referred in the resolution would be available for inspection by the Members free of cost, in physical or electronic form during business hours ie, 09.30 a.m. to 05.30 p.m. at the Registered Office and Corporate Office of the Company and at the ensuing Annual General Meeting.

Save and except Ms. Umadevi Anilkumar and Mr. K.G. Anilkumar, spouse of Ms. Umadevi Anilkumar and relatives to the extent of shareholding interest in the Company, none of the other Directors or Key Managerial Personnel or other relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

***Item No. 7 - Revision of remuneration to Mr. K. G. Anilkumar, Managing Director of the Company.***

The Members at the 25<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> day of September, 2016 had re - appointed Mr. K.G. Anilkumar (DIN: 00766739) as the Managing Director of the Company for a term of 5 consecutive years commencing from 01.10.2016 to 30.09.2021. In supersession to earlier resolutions, the Members vide. 27<sup>th</sup> Annual General Meeting held on 29<sup>th</sup>

day of September, 2018 had also approved a minimum remuneration of Rs.3,00,00,000/- (Rupees Three Lakhs Only) per month.

Considering the performance exhibited by Mr. K.G. Anilkumar in the challenging market environment, expansion of businesses etc. and to bridge the compensation gap as reflected in the peer benchmarking exercise carried out by the Company, the Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee has revised the monthly remuneration from Rs.3,00,00,00/- (Rupees Three Lakhs Only) to Rs.5,00,000/- (Rupees Five Lakhs Only) effective from 01<sup>st</sup> day of April, 2020 to 30<sup>th</sup> day of August, 2020, subject to Schedule V to the Act and approval of the Members.

Considering the remarkable efforts and continued progress with respect to proposed public issue of Non – Convertible Debentures and completion of takeover of M/s. Salem Erode Investments Limited, a Listed Subsidiary, your Board, on recommendation of the Nomination and Remuneration Committee, further revised the monthly remuneration to Rs. 10,00,000/- (Rupees Ten Lakhs Only), by way of salary, perquisites, allowances etc. for a period of one year effective from 01<sup>st</sup> day of September, 2020 to 30<sup>th</sup> day of August, 2021, subject to Schedule V to the Act and approval of the Members.

Mr. K.G. Anilkumar is taking continued efforts to expand the branches to different parts of the Country and to increase diversified businesses and the same will be rewarding both in financial and non - financial terms in coming Financial Years. The Members are hereby informed that the net profits of the Company for the Financial Year 2019 - 2020 is inadequate for the payment of proposed managerial remuneration. Further, due to the proposed expansion of branches, the Company may likely to have inadequate profits

in the coming few years also. In case of no profits or inadequacy of profits as calculated under Section 198 of the Companies Act, 2013, the Company may pay remuneration in accordance with the provisions of Schedule V to the Companies Act, 2013. Being the Company is under a remarkable progress under the leadership of Mr. K.G. Anilkumar and considering the current market position, your Board recommends the above remuneration, exclusive of the out of pocket expenses, as minimum remuneration payable to Mr. K.G. Anilkumar. The said minimum remuneration proposed is appropriate and in the best interest of the Company.

In addition to the minimum remuneration as above, considering the growth of the Company in non – financial terms, managerial remuneration, if approved by the Nomination and Remuneration Committee, in the form of commission based on the net profits of the Company for the Financial Year 2020 – 2021, not exceeding 1% (one percent) of such profits may also be provided. All other terms and conditions of the appointment remain same as approved by the Members at the 25<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> day of September, 2016.

Disclosures under Secretarial Standard - 2, issued by the Institute of Company Secretaries of India is detailed as below.

Sl. No.	Particulars	Response
01.	Name	Mr. Kuzhuppilly Govinda Menon Anilkumar
02.	Director Identification Number (DIN)	00766739

03.	Terms & Conditions of Appointment	<p>Managing Director of the Company upto to 30<sup>th</sup> day of September, 2021.</p> <p>Monthly remuneration of Rs. 10,00,000/- (Rupees Ten Lakhs Only), for a period of one year effective from 01<sup>st</sup> day of September, 2020 to 30<sup>th</sup> day of August, 2021.</p> <p>1% Net Profits of the Company as Commission for the Financial Year 2020 - 2021, subject to the approval of Nomination and Remuneration Committee and Board of Directors.</p>
04.	Nationality	Indian
05.	Date of Birth Age as on the date of Application	28.06.1963, 57 Years
06.	Business Address (along with Phone, Fax and Email)	<p>V. K. K. Building, Main Road, Irinjalakuda, Thrissur, Kerala – 680121</p> <p>Mob : 9605353135, Email: md@iclfincorp.com</p>

07.	Residential Address (along with Phone, Fax and Email) with supporting document	Errekheth House, Sugrtham, Santhi Nagar, Irinjalakuda, North P. O., Thrissur, Kerala - 680125, Mob : 9605353135, Email: md@iclfincorp.com
08.	Educational/professional qualifications	BA; MBA; LLB
09.	Experience if any, in the Financial Services Sector (including Banking Sector)	Having approximately 25 years of experience in the Non - Banking Financial Sector and other related areas.
10.	Details of Remuneration for the Financial Year 2019 - 2020	Rs.36,00,000/-
11.	Designation and Date of first appointment on Board	Director w.e.f 14.07.2004
12.	Relation with other Directors, Managers or Key Managerial Personnel	Spouse of Ms. Umadevi Anilkumar, Whole Time Director of the Company
13.	Number of Board Meetings attended during the a) Financial Year 2019 - 20 b) Financial Year 2020 - 21	10 meetings 2 meetings

14.	<p>Name(s) of other organizations or entities or associations or Unincorporated entities in which the person has held the post of Chairman or Managing Director or Director or Chief Executive Officer or associated with the above entities in any other capacity. Indicating the activity of the Company and regulators, if any</p>	<p>1) Salem Erode Investments Limited (Managing Director)  Activity – NBFC</p> <p>2) ICL Chits Limited (Director)  Activity – Chits</p> <p>3) ICL Tours and Travels Private Limited (Director)  Activity – Tours and Travels</p> <p>4) ICL Nidhi Limited (Chairman &amp; Director)  Activity - Nidhi</p> <p>5) Snow View Tex Collections Private Limited (Director)  Activity – Retail trade of textiles and garments</p>
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		<p>6) ICL Medilab Private Limited (Chairman &amp; Director)</p> <p>Activity – Medical</p>
15.	Memberships / Chairmanships of Committees of the Board	<p><u>ICL Fincorp Limited</u></p> <p>a. Debenture and Bond Committee (Chairman)</p> <p>b. Stakeholders Relationship Committee (Member)</p> <p>c. Risk Management Committee (Member)</p> <p>d. Asset Liability Management Committee (Member)</p>
16.	Directorship and Membership of Committees of the Board in Listed entities	<p>Managing Director of M/s. Salem Erode Investments Limited</p>
17.	Shareholding in the Company a) as on 31.03.2020 b) as on 21.08.2020	<p>1,28,75,300 Equity Shares (29.04%) 1,29,32,050 Equity Shares (29.17%)</p>

18. Brief Resume

Mr. K.G. Anilkumar belongs to Irinjalakuda, a place of cultural and historical importance in the State of Kerala. His better half, friend and life time companion is Ms. Umadevi Anilkumar. His father, late Mr. Kuzhuppilly Govinda Menon was a famous freedom fighter in Kerala. He has done graduation in B.A, Post-Graduation in Business Management (MBA) as well as an LLB holder. He is currently undergoing PhD in Banking & Finance, which shows his insatiable thirst for knowledge. He is the Managing Director of M/s. ICL Fincorp Limited since 14.07.2004. It's his great business acumen and quiet strength that led ICL group to grow into a nationally known brand. His unique capabilities have won him several awards and accolades, to name a few:

- “Bharat Excellence Award” for the year 2015 from His Excellency the Governor of Tamil Nadu, Mr. Rosaiah.
- Consumer Protection Award for the year 2015 by Kerala Chief Whip Adv. Thomas Unniyadan, MLA.
- JCI group “Business Excellence Award” for the year 2015 by Mr. P. K. Kunhalikutty (Minister of Industries and Information Technology, Kerala).
- Business Excellence Award 2016 – Mangalalosavam – by Mr. A. C. Moideen, Minister for Industries, Sports and Youth Affairs.

- Business Reliability Award 2016 – Reporter Channel.
- Dharmamudhra Award, 2016.
- Karma Sreshta Puraskaram, 2016 - Kerala Kaladeepam.
- Best Achiever Award, 2016 - Lions International.
- Phoenix Award, 2016 - Kairali TV by Padma Shri Bharat Mammooty, film actor.
- Jeevan T V Felicitration Award, 2017 by Ms. Nirmala Sitharaman, Defence Minister together with Mr. Ravi Shankar Prasad, Minister of Electronics and Information Technology.
- Kerala Kaladeepam Felicitration Award, 2017 for the Best Performing NBFC of the year.
- Consumer Protection Award.

He oversees the planning, designing and funding of new projects, with a view to directing the Group towards the optimum utilization of resources and funds. Under his leadership the Group has made substantial efforts to strengthen and improve customer relationship and established its strong presence in retail finance. His operations and management skills have been crucial in the smooth transition of the Company from being a local player to one with a pan-India presence. His inputs are central to the structure and has aided in the financial inclusion of giving gold loans to the masses, especially the economically weaker sections of society and the lower middle

<p>classes living in rural and semi-urban areas.</p> <p>Today, the Company has emerged as one among the profitable NBFCs in the regions of Kerala, Tamil Nadu, Telangana, Andhra Pradesh and Karnataka. ICL Fincorp Limited is an ISO certified Company. It is a fast growing entity and has branches all over the regions of Kerala, Tamil Nadu, Telangana, Andhra Pradesh and Karnataka and is continuously striving to expand its wings by opening branches all over India. There are six other Companies falling under the umbrella of ICL Group viz. Salem Erode Investments Limited, ICL Tours &amp; Travels Private Limited, ICL Chits Limited, ICL Nidhi Limited, Snow View Tex Collections Private Limited and ICL Medilab Private Limited.</p> <p>The contribution of Mr. K. G. Anilkumar to the social services sector assumes immense value in today's not so broadminded world and his efforts are much acclaimed. Even during his busy schedule, he has found time and energy to pursue his philanthropic work to help poor and needy and also help promoting cultural activities and artists. To support his efforts he has established ICL Cultural &amp; Charitable Trust which undertakes various charitable activities like helping/sponsoring students who are economically backward by distributing educational help, adopting needy children and ensuring that their wellbeing and educational needs are fulfilled, conducting blood donation camps, helping palliative care units etc.</p>
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19.	<p><b>Performance Evaluation</b></p> <p>Mr. K. G. Anilkumar has awarded with 100% attendance at Board Meetings, General Meeting and various Committee Meetings and actively participated throughout the meetings. The Board evaluated and confirmed that the said Director has exercised duties with due and reasonable care, skill and diligence, along with cent percent independent judgment and in the best in the interest of the Company. Mr. K. G. Anilkumar has complied with all the guidelines with respect to the professional conduct, role, functions and duties, as mentioned in the Companies Act, 2013.</p> <p>The performance evaluation criteria for accessing the appointment or regularization of Directors, inter-alia, includes factors like participation at Board/Committee Meetings, Managing Relationship with fellow Board Members, Knowledge and skill, Personal attributes like ethics and integrity, independent judgment with regard to corporate strategy, performance, risk management etc., corporate governance implementation, knowledge about the Company and external environment in which it operates, confidentiality level, adherence to the applicable code of conduct for Directors etc.</p>
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Information as per Schedule V to the Companies Act, 2013 is as under:

I. General Information:

01.	Nature of Industry	Non - Banking Financial activities
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02.	Date or expected date of commencement of commercial production	Not applicable
03.	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
04.	Financial performance based on given indicators	Detailed as above
05.	Foreign investments or collaborations, if any.	Not applicable

II. Information about the Directors to whom remuneration is payable as mentioned above.

01.	Background Details	Detailed in brief resume as above
02	Past Remuneration	Rs.3,00,000/- per month
03.	Recognition or awards	Detailed in brief resume as above
04.	Job Profile and suitability	Detailed in brief resume as above

05.	Remuneration proposed	<p>Rs.10,00,000/- per month for a period of one year effective from 01<sup>st</sup> day of September, 2020 to 30<sup>th</sup> day of August, 2021.</p> <p>1% Net Profits of the Company as Commission for the Financial Year 2020 - 2021, subject to the approval of Nomination and Remuneration Committee and Board of Directors.</p>
06.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	<p>The Company requires expertise for appropriate fund allocation, optimum utilization of various resources in the business etc. Mr. K. G. Anilkumar has successfully proved expertise in the said areas in very effective manner. Considering the Covid 9 impact, your Board is of the view that Mr. K. G. Anilkumar could play a vital and inevitable role to overcome the economic crisis, which may arises. The remuneration proposed is commensurate with other organisations of the similar type, size and nature.</p>

07.	Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any	<p>a) Mr. K.G. Anilkumar is holding 1,29,32,050 number of Equity Shares, constituting 29.17% percentage voting power in the Company as on 21.08.2020.</p> <p>b) Spouse of Mr. Umadevi Anilkumar, Whole Time Director and Chief Executive Officer of the Company is holding 41,01,799 number of Equity Shares, constituting 9.25% percentage voting power in the Company as on 21.08.2020.</p>
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III. Other Information:

01.	Reasons of loss or inadequate profits	Detailed as above.
02	Steps taken or proposed to be taken for improvement	Detailed as above.
03.	Expected increase in productivity and profits in measurable terms	Detailed as above.



#### IV. Disclosures

The remuneration package of Mr. K.G. Anilkumar is as given above. The Explanatory Statement together with other allied documents, being referred in the resolution shall be construed to be memorandum setting out the terms of the appointment as specified under Section 190 of the Companies Act, 2013.

The Board is of the view that the continued association of Mr. K.G. Anilkumar, as the Managing Director of the Company and rich experience and knowledge in the financial and administration sectors would definitely benefit the Company. Further, Mr. K.G. Anilkumar also possesses appropriate skills, expertise and competencies in the context of the Company's present and proposed businesses.

Pursuant to para 1 of Part III of Schedule V to the Companies Act, 2013 mandates the appointment and remuneration of Managerial Personnel to be approved in the General Meeting by way of Resolution. As the Managerial Remuneration recommended to Mr. K.G. Anilkumar exceeds the stipulated ceiling limits, as prescribed under Table A of Section II of Part II of Schedule V to the Companies Act, 2013, the proposed resolution is recommended for the consideration and approval of the Members of the Company by way of Special Resolution.

Copy of draft letter of appointment constituting terms and conditions of appointment and other allied documents, being referred in the resolution would be available for inspection by the Members free of cost, in physical or electronic form during business hours ie, 09.30 a.m. to 05.30 p.m. at the Registered Office and Corporate Office of the Company and at the ensuing Annual General Meeting.

Save and except Mr. K.G. Anilkumar and Ms. Umadevi Anilkumar, spouse of Mr. K.G. Anilkumar and relatives to the extent of shareholding interest in the Company, none of the other Directors or Key Managerial Personnel or other relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

***Item No. 8 - Approval of Borrowing Limit***

The Members vide. 28<sup>th</sup> Annual General Meeting held on Saturday, the 28<sup>th</sup> day of September, 2019 had approved borrowing limits of the Company under Section 180 (1) (c) of the Companies Act, 2013 upto Rs.900,00,00,000/-(Rupees Nine Hundred Crores Only). The aggregate borrowings of the Company for the Financial Year ended 31<sup>st</sup> day of March, 2020 is Rs. 252,70,70,937 (Rupees Two Hundred Fifty Two Crores Seventy Lakhs Seventy Thousand Nine Hundred and Thirty Seven Only). Therefore, the maximum borrowing limit available to the Company under Section 180 (1) (c) of the Companies Act, 2013 is Rs 647,29,29,063/-(Rupees Six Hundred Forty Seven Crores Twenty Nine Lakhs Twenty Nine Thousand and Sixty Three Only).

The Members are hereby informed that the Company is in continuous requirement of working capital for meeting existing and future financial requirements to support its business operations and branch expansions. Presently, the main source of finance is through issue of Debt Securities like Non - Convertible Debentures and Bonds, both secured & unsecured. Your Board has also approached various Banks and Financial Institutions for availing various credit facilities. Even though, the Banks have various credit schemes to promote the Non-Banking Financial activities like Lines of Credits, Term Loans for the purpose of on-lending to Priority Sector

customers, Partial Credit Guarantee scheme etc., the benefits of the same to the small and mid – sized NBFCs are debatable. However, your Board is trying its best in availing fund based and non-fund based loans from Banks and other financial institutions and the same is in progress. Hence, it is advisable to continue the existing fund raising mechanism of issue of Debt Securities along with the proposed availing of loans from Banks and other financial institutions at lower interest rates.

The Members are further informed that the Public Issue of Non - Convertible Debentures aggregating to Rs.100,00,00,000/- (Rupees One Hundred Crores Only) is in progress and expected to be completed by the end of December, 2020. Considering the market conditions and response of the said Public Issue of Non - Convertible Debentures, the Company may raise additional funds in the same form from the market. Considering the above requirements and expectations of the Company, the ceiling limits of borrowings may be enhanced from the present approved limits of Rs.900,00,00,000/- (Rupees Nine Hundred Crores Only) to Rs.1200,00,00,000/- (Rupees One Thousand and Two Hundred Crores Only).

Pursuant to Section 180 (1) (c) of the Companies Act, 2013 the borrowings, together with the money already borrowed exceeding aggregate of its paid-up share capital, free reserves and Securities Premium, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, shall be approved in the General Meeting by way of Special Resolution. As the proposed borrowing limits exceed the said stipulated statutory limits, the proposed resolution is recommended for the consideration and approval of the Members of the Company by way of Special Resolution.

None of the Directors or Key Managerial Personnel or other relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

***Item No. 9 - Creation of mortgage or charge on the assets, properties or undertaking(s) of the Company***

The Members vide. 28<sup>th</sup> Annual General Meeting held on Saturday, the 28<sup>th</sup> day of September, 2019 had approved limits of creation of mortgage or charge on the assets, properties or undertaking(s) of the Company under Section 180 (1) (a) of the Companies Act, 2013 upto Rs.900,00,00,000/- (Rupees Nine Hundred Crores Only).

The Members are hereby informed that the Company may require to create security by way of charge, mortgage, hypothecation or pledge of the present and future moveable or immovable assets or properties of the Company or the whole or any part of the undertaking(s) of the Company of every nature and kind whatsoever (hereinafter referred to as the “Assets”) and/or creating a floating charge on the Assets, together with the power to take over the management of the business and concern of the Company in certain events of default in favour of Lenders, as per the terms and conditions mutually agreed in the course of borrowing of funds from time to time to support the operations of the Company.

Consequent to the proposed enhancement of the ceiling limits of borrowings from the present approved limits of Rs.900,00,00,000/- (Rupees Nine Hundred Crores Only) to Rs. Rs.1200,00,00,000/- (Rupees One Thousand and Two Hundred Crores Only) under agenda item no.8, the limits of creation of mortgage or charge on the assets, properties or undertaking(s) of the Company may also be enhanced accordingly.

Pursuant to Section 180 (1) (a) of the Companies Act, 2013 the selling, leasing or otherwise disposing of assets of the Company shall be approved in the General Meeting by way of Special Resolution. As the creation of charges in favor of the Lending Institutions are required for the availing the borrowings, the proposed resolution is recommended for the consideration and approval of the Members of the Company.

None of the Directors or Key Managerial Personnel or other relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

***Item No. 10 - Investments, Loans, Guarantees and security in excess of limits specified under section 186 of Companies Act, 2013***

The Members vide. Postal Ballot and e - voting on Friday, the 11<sup>th</sup> day of May, 2018 had approved ceiling limits with respect to Investments, Loans, Guarantees and security as provided under Section 186 (2) of the Companies Act, 2013 upto Rs.200,00,00,000/-(Rupees Two Hundred Crores Only).

The Members are hereby informed that pursuant to the Share Purchase Agreement dated 28<sup>th</sup> day of December, 2018 your Company had purchased 85,15,240 number of Equity Shares of Re.1/ each, representing 74.27% shareholding in M/s. Salem Erode Investments Limited from the existing promoters and had also taken over the management effective from 17<sup>th</sup> day of February, 2020. Consequent to the same, M/s. Salem Erode Investments Limited became the Subsidiary of the Company and further to the approval of Members of M/s. Salem Erode Investments Limited, your Company has re - classified as the Promoter of the said Subsidiary Company, effective

from Friday, the 07<sup>th</sup> day of August, 2020. In addition to the said subscription, the Subsidiary Company may require additional investment or financial support for meeting the fund requirements for carrying out routine operations as well as for business and branch expansions. Further, the Group Companies of the Company may also require investments or financial support of the Company for their short term requirement of funds in various tranches from time to time.

As per the latest audited Financial Statements of the Company as on 31<sup>st</sup> March, 2020, sixty per cent of the paid-up share capital, free reserves and securities premium account amounts to Rs.41,55,10,548/- (Rupees Forty One Crores Fifty Five Lakhs Ten Thousand Five Hundred and Forty Eight Only), while one hundred per cent of its free reserves and securities premium account amounts to Rs.24,91,68,061/- (Rupees Twenty Four Crores Ninety One Lakhs Sixty Eight Thousand and Sixty One Only). The aggregate value of investments and loans made and guarantee and securities issued by the Company amounts to Rs. 23,33,91,880/- (Rupees Twenty Three Crores Thirty Three Lakhs Ninety One Thousand Eight Hundred and Eighty Only). Therefore, the maximum limit available to the Company under Section 186(2) of the Companies Act, 2013 for making investments or giving loans or providing guarantees / securities in connection with a loan, as the case may be, is Rs.176,66,08,120 (Rupees One Seventy Six Crores Sixty Six Lakhs Eight Thousand One Hundred and Twenty Only).

The said Subsidiary and other Group Companies of the Company may require financial support of the Company for their short term requirement of funds in various tranches from time to time, for which adequate approval from the Members of the Company is necessary. In view of the requirements of Subsidiary and other Group Companies and considering the long term

business plans of the Company, which requires the Company to make sizeable loans / investments and issue guarantees / securities to persons or bodies corporate, from time to time, it is advisable to enhance the limits under Section 186 of the Companies Act, 2013 from Rs.200,00,00,000/- (Rupees Two Hundred Crores Only) to Rs.300,00,00,000/- (Rupees Three Hundred Crores Only).

Pursuant to Section 186 (2) of the Companies Act, 2013 read with Rule 11 & 13 of the Companies (Meetings of Board and its Powers) Rules, 2014 any loan to any person or other body corporate; give any guarantee or provide security in connection with a loan to any other body corporate or person; and acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, shall be approved in the General Meeting by way of Special Resolution. As the proposed loan or investment limits exceeds the said stipulated statutory limits, the proposed resolution is recommended for the consideration and approval of the Members of the Company by way of Special Resolution.

None of the Directors or Key Managerial Personnel or other relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

***Item No. 11 - Issuance of Equity Shares by way of Preferential Issue on private placement basis.***

The Members are hereby informed that the Board of Directors of the Company had proposed to offer, issue and allot 1,00,00,000 Equity Shares of face value of Rs.10/- (Rupees Ten Only) each for cash at an issue price of

Rs.20/- (Rupees Twenty Only) on preferential basis to Mr. K.G. Anilkumar, Chief Promoter and Managing Director of the Company. As informed in Agenda No.8 the Company is in continuous requirement of working capital for meeting existing and future financial requirements to support its business operations and branch expansions. The Company is on a growth phase and additional equity investment in the Company will further help in evolution and expansion of networks. The equity infusion will also strengthen the Company's balance sheet and reduce finance cost for the Company. In order to achieve the above objective, strengthen its financial position and considering the market financial uncertainty generated due to Covid 9 pandemic through the Country, it is advisable to raise equity by way of preferential offer in addition to the raising of funds through Debt Securities.

Disclosures under Section 62 of the Companies Act, 2013 and Rule 13 of the Companies (Share Capital and Debenture) Rules 2014 is detailed as below.

	Particulars	Response
i.	Objects of the issue	<p>a) General Corporate purposes and to meet working capital requirements.</p> <p>b) To overcome the financial uncertainty generated due to Covid 19 pandemic through the Country.</p>
ii.	Total number of Shares or other Securities to be issued	1,00,00,000 Equity Shares of face value of Rs.10/- each



iii.	Price or price band at/within which the allotment is proposed	The issue price is Rs.20/- per Equity Share, provided that the minimum price of Equity Shares so which the allotment is issued shall not be less than the price arrived by a Registered Valuer.
iv.	Basis on which the price has been arrived at along with report of the Registered Valuer	Discounted Free Cash Flow (DCF) method
v.	Relevant date with reference to which the price has been arrived at	01 <sup>st</sup> day of September, 2020, being 30 days prior to the date of Annual General Meeting i.e. Wednesday, September 30, 2020.
vi.	Class or classes of persons to whom the allotment is proposed to be made	Mr. K.G. Anilkumar, Chief Promoter and Managing Director of the Company
vii.	Intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer	Save and except Mr. K.G. Anilkumar, Managing Director and Ms. Umadevi Anilkumar, Whole Time Director, none of the other Promoters, Directors or Key Managerial Personnel of the Company are subscribing to the Preferential Allotment. However, upon

		completion of the proposed preferential issue, there will be no change in the classification of Promoter and Promoters' Group, except change in shareholding from 29.17% to 42.20%.
viii.	Proposed time within which the allotment shall be completed	Offer shall be valid for one year and the allotment shall be completed within a period of twelve months from the date of passing of the Special Resolution in one or more tranches.
ix.	Names of the proposed allottees and the percentage of post preferential offer capital that may be held by them	Mr. K.G. Anilkumar 42.20.%
x.	Change in control, if any, in the Company that would occur consequent to the preferential offer	Presently, Mr. K.G. Anilkumar is classified as Promoter of the Company and consequent to the completion of the preferential offer Mr. K.G. Anilkumar will continue to be classified as Promoter and will be in control of the Company.
xi.	Number of persons to whom allotment on preferential basis have already been made during	During the period from 1 <sup>st</sup> day of April, 2020 till 21 <sup>st</sup> day of August, 2020, the Company has not made

	the year, in terms of number of Securities as well as price	any preferential allotments.
xii.	Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the Registered Valuer	Not Applicable
xiii.	The pre issue and post issue Shareholding pattern of the Company	As on 21.08.2020

Sl. No.	Category	Pre Issue		Post Issue	
		No. of Shares held	% of Share holding	No. of Shares held	% of Share holding
A	Promoters' holding				
1.	Indian				
	Individual	1,70,55,182	38.47	2,70,55,182	49.79
	Bodies Corporate				
	Sub Total	1,70,55,182	38.47	2,70,55,182	49.79

2.	Foreign Promoters				
	Sub Total (A)	1,70,55,182	38.47	2,70,55,182	49.79
B	Non-Promoters' holding				
1.	Institutional Investors				
2.	Non-Institution :				
	Private Corporate Bodies	37,900	0.09%	37,900	0.07%
	Directors and Relatives	1,12,805	0.25%	1,12,805	0.21%
	Indian Public	2,64,89,765	59.75%	2,64,89,765	48.75%
	Others (Including NRIs)	6,39,300	1.44%	6,39,300	1.18%
	Sub Total(B)	2,72,79,770	61.53%	2,72,79,770	50.21%
	<b>Grand Total</b>	<b>4,43,34,952</b>	<b>100%</b>	<b>5,43,34,952</b>	<b>100%</b>

Disclosures under Section 42 of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 is detailed as below.

Sl. No.	Particulars	Response
i.	Particulars of the offer including date of passing of Board Resolution	The Board of Directors vide meeting held on 27 <sup>th</sup> day of August, 2020 has proposed to offer, issue and allot 1,00,00,000 Equity Shares of face value of Rs.10/- (Rupees Ten Only) each for cash at an issue price of Rs.20/- (Rupees Twenty Only) for a total consideration of Rs.20,00,00,000/- (Rupees Twenty Crores Only) on preferential basis to Mr. K.G. Anilkumar, Managing Director (DIN: 00766739) of the Company in one or more tranches for meeting the general corporate purposes, working capital requirements of the Company and to overcome the financial uncertainty generated due to Covid 19 pandemic through the Country.
ii.	Kinds of Securities offered and the price at which security is being offered	Equity Shares of face value of Rs.10/- (Rupees Ten Only) each for cash at an issue price of Rs.20/- each.

iii.	Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	The issue price is Rs.20/- per share, provided that the minimum price of Equity Shares so which the allotment is issued shall not be less than the price arrived by a Registered Valuer.
iv.	Name and address of valuer who performed valuation	Tipsons Consultancy Services Pvt. Ltd. CIN:U74140GJ2010PTC062799 Merchant Banker, SEBI Regn. No. INM000011849 401, Sheraton House, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad - 380015
v.	Amount which the Company intends to raise by way of such Securities	Rs.20,00,00,000/-
vi.	Material terms of raising such Securities, proposed time schedule, purposes or objects of offer, contribution being made by the Promoters or Directors either as part of the offer or separately in	<u>Material terms</u> The Company shall offer, issue and allot for 1,00,00,000 Equity Shares of face value of Rs.10/- (Rupees Ten Only) each for cash at an issue price of Rs.20/- (Rupees Twenty Only) for a total consideration of Rs.20,00,00,000/- (Rupees Twenty Crores Only) on preferential basis to Mr. K.G. Anilkumar, Managing Director (DIN:

	<p>furtherance of objects principle terms of assets charged as Securities.</p>	<p>00766739) of the Company.</p> <p><u>Proposed time schedule</u></p> <p>Offer shall be valid for one year and the allotment shall be completed within a period of twelve months from the date of passing of the Special Resolution in one or more tranches.</p> <p><u>Objects of offer</u></p> <p>General Corporate purposes and to meet working capital requirements and to overcome the financial uncertainty generated due to Covid 19 pandemic through the Country.</p> <p><u>Contribution being made by the Promoters</u></p> <p>Preferential Offer is being proposed to Mr. K.G. Anilkumar, Promoters and Managing Director of the Company.</p> <p><u>Principle terms of assets charged as Securities</u></p> <p>Not applicable</p>
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The Board of Directors is of view that the proposed issue is in the best interest of the Company. Section 62 (1) (c) and 42 of the Companies Act, 2013 mandates that the issue of Equity Shares on Preferential basis shall be previously approved in the General Meeting by way of Special Resolution.

Hence, the proposed resolution is recommended for the consideration and approval of the Members of the Company.

Copy of draft PAS 4 along with application form, inviting to subscribe to the Equity Shares, and other allied documents, being referred in the resolution would be available for inspection by the Members free of cost, in physical or electronic form during business hours ie, 09.30 a.m. to 05.30 p.m. at the Registered Office and Corporate Office of the Company and at the ensuing Annual General Meeting.

Save and except Mr. K.G. Anilkumar, Managing Director and Ms. Umadevi Anilkumar, Executive Director, being spouse of Mr. K.G. Anilkumar and relatives to the extent of shareholding interest in the Company, none of the other Directors or Key Managerial Personnel or other relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

***Item No. 12 - Issue of Non - Convertible Securities.***

The Members vide. 28<sup>th</sup> Annual General Meeting held on Saturday, the 28<sup>th</sup> day of September, 2019 had approved ceiling limits with respect to issue of debt securities on private placement basis as provided under Section 23, 42 and 71 of the Companies Act, 2013 upto Rs.700,00,00,000/- (Rupees Seven Hundred Crores only). As informed in Agenda No. 8 & 11 the Company is in continuous requirement of working capital for meeting existing and future financial requirements to support its business operations and branch expansions. Presently, the main source of finance is through issue of Debt Securities like Non - Convertible Debentures and Bonds, both secured & unsecured. Your Board is of the view that the fund raising by way of Debt Securities is much easier and cost effective, as compared to credit facilities from Banks and Financial Institutions. Even though, the Banks have



various credit schemes to promote the Non-Banking Financial activities like Lines of Credits, Term Loans for the purpose of on-lending to Priority Sector customers, Partial Credit Guarantee scheme etc., the benefits to the same to the small and mid – sized NBFCs are debatable. Considering the financial uncertainty generated due to Covid 19 pandemic through the Country, it is advisable to continue the existing fund raising mechanism of issue of Debt Securities.

The Members are hereby informed that the Board of Directors of the Company had proposed to offer, issue and allot 1,00,00,000 Non – Convertible Debentures, both Secured & Unsecured of face value of Rs.1000/- (Rupees One Thousand Only) each for cash on private placement and public issue basis aggregating to Rs.1000,00,00,000/- (Rupees One Thousand Crores Only). The Company is on a growth phase and additional funds by way of debt instruments will further help in evolution and expansion of networks. The source of finance through debt instruments help in reduction of finance cost, expansion of lender base, improve debt maturity profile and reduction in exposure with the scheduled and commercial banks. Further, it will also strengthen the Company's balance sheet and reduce finance cost for the Company which in turn will improve the capability to obtain credit facilities at better terms and overall reduced cost.

The Members are further informed that the Public Issue of Non - Convertible Debentures aggregating to Rs.100,00,00,000/- (Rupees One Hundred Crores Only) is in progress and expected to be completed by the end of December, 2020. Further, it is proposed to raise additional Rs.500,00,00,000/- Rupees Five Hundred Crores Only) from the market within a year, subject to the market conditions. During the Financial Year 2019 – 2020 the Company has raised Rs. 115,25,70,000/- (Rupees One Hundred Fifteen Crores Twenty

Five Lakhs and Seventy Thousand Only) by issue of Non - Convertible Debentures/Bonds on Private Placement basis and the projected offer & issue of the same for the Financial Year 2020 – 2021 is Rs.200,00,00,000/- (Rupees Two Hundred Crores Only). The outstanding Non - Convertible Debentures as on 31<sup>st</sup> day of March, 2020 stood at Rs. 188,69,55,000/- (Rupees One Eighty Eight Crores Sixty Nine Lakhs and Fifty Five Thousand Only). Considering the above requirements and future expectations of the Company, the ceiling limits of Non - Convertible Securities may be enhanced from the present approved limits of Rs.700,00,00,000/- (Rupees Seven Hundred Crores only) to Rs. Rs.1000,00,00,000/- (Rupees One Thousand Crores Only).

Disclosures under Section 42 of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 is detailed as below.

Sl. No.	Particulars	Response
i.	Particulars of the offer including date of passing of Board Resolution	The Board of Directors vide meeting held on 27 <sup>th</sup> day of August, 2020 has proposed to offer, issue and allot 1,00,00,000 Non – Convertible Debentures, both Secured & Unsecured of face value of Rs.1000/- (Rupees One Thousand Only) each for cash on both private placement and public issue basis aggregating to Rs.1000,00,00,000/- (Rupees One Thousand Crores Only) to public and various invitees, in one or more tranches for meeting the general corporate

		purposes, working capital requirements of the Company and to overcome the financial uncertainty generated due to Covid 19 pandemic through the Country.
ii.	Kinds of Securities offered and the price at which security is being offered	Non - Convertible Debentures, both secured & unsecured of face value of Rs.1000/- (Rupees One Thousand Only) each.
iii.	Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	Not Applicable
iv.	Name and address of valuer who performed valuation	Not Applicable
v.	Amount which the Company intends to raise by way of such Securities	Rs.1000,00,00,000/-
vi.	Material terms of raising such Securities, proposed time schedule, purposes or objects of offer, contribution being	<u>Material terms</u> The Company shall offer, issue and allot 1,00,00,000 Non – Convertible Debentures, both Secured & Unsecured of face value of Rs.1000/- (Rupees One Thousand Only)

<p>made by the Promoters or Directors either as part of the offer or separately in furtherance of objects principle terms of assets charged as Securities.</p>	<p>each for cash on both private placement and public issue basis aggregating to Rs.1000,00,00,000/- (Rupees One Thousand Crores Only) to the Public and various invitees, as decided by the Board.</p> <p><u>Proposed time schedule</u></p> <p>Private Placement Offer shall be valid for one year and the allotment shall be completed within a period of twelve months from the date of passing of the Special Resolution in one or more tranches. Public Issue Offers shall be according to the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p> <p><u>Objects of offer</u></p> <p>General Corporate purposes and to meet working capital requirements and to overcome the financial uncertainty generated due to Covid 19 pandemic through the Country.</p>
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		<p><u>Contribution being made by the Promoters</u></p> <p>Private Placement Offers are used to be subscribed by Promoters of the Company.</p> <p>Public Issue subscription shall be according to the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p> <p><u>Principle terms of assets charged as Securities</u></p> <p>Fully secured by hypothecation of all loan receivables, advances, fixed assets and other unencumbered assets of the Company, both present and future</p>
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The Board of Directors is of view that the proposed issue of debt securities is in the best interest of the Company. Public Issue and allotment shall be done according to the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Section 42 of the Companies Act, 2013 and rules made thereunder mandates that all the offer of securities or invitation to subscribe to securities on Private Placement basis shall be

previously approved in the General Meeting by way of Special Resolution. Further the said Act stipulates that in case of an offer or invitation for Non – Convertible Debentures, it would be sufficient if the Company passes Special Resolution only once in a year for all offer(s) or invitation(s) for such Non – Convertible Debentures issued on a private placement basis during the year. Hence, the proposed resolution is recommended for the consideration and approval of the Members of the Company.

Copy of draft PAS 4 along with application form and other allied documents, being referred in the resolution would be available for inspection by the Members free of cost, in physical or electronic form during business hours ie, 09.30 a.m. to 05.30 p.m. at the Registered Office and Corporate Office of the Company and at the ensuing Annual General Meeting.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the said resolution.

***Item No. 13 - Increase in Authorized Share Capital and amendment in the Capital clause of Memorandum of Association of the Company.***

The Members vide. Postal Ballot including E – Voting on Friday, the 11<sup>th</sup> day of May, 2018 had enhanced the Authorized Share Capital of the Company from Rs. 40,00,00,000/- (Rupees Forty Crores Only) to Rs. 60,00,00,000/- (Rupees Sixty Crores Only).

As informed in previous agendas the Company is in continuous requirement of working capital for meeting existing and future financial requirements to support its business operations and branch expansions. Your Board proposes to raise a portion of the fund requirements for ensuing few years

by way of issue of Equity Shares on Right basis. Further to meet the wide expansion activities of the Company, your Directors also propose to issue further shares to the existing Promoters and Directors of the Company on Private Placement basis. Your Board is planning to raise Rs.50,00,00,000/- (Rupees Fifty Crores Only) through the aforesaid sources during the Financial Years 2020 – 2021 and 2021 – 2022. The present paid up share capital of the Company as on the 21<sup>st</sup> day of August, 2020 is Rs. 44,33,49,520/- (Rupees Forty Four Crores Thirty Three Lakhs Forty Nine Thousand Five Hundred and Twenty Only) and therefore, the maximum capital can be raised under the present ceiling is only Rs.15,66,50,480/- (Rupees Fifteen Crores Sixty Six Lakhs Fifty Thousand Four Hundred and Eighty Only), which is not sufficient as per the budgeted fund raising of the Company. Considering the above requirements and in order to avoid any delay in raising fund during any unforeseen exigencies on account of breach of Authorized Share Capital limit, the same may be enhanced from Rs. 60,00,00,000/- (Rupees Sixty Crores Only) to Rs.100,00,00,000/- (Rupees One Hundred Crores Only). Consequent to the same, Memorandum of Association of the Company has also to be amended accordingly.

Pursuant to the provisions of Section 61 of the Companies Act, 2013, the increase in Authorized Capital and the consequential changes in Clause of the Memorandum requires approval of Members by way of Ordinary Resolution. Hence, the proposed resolution is recommended for the consideration and approval of the Members of the Company.

Copy of the existing Memorandum of Association of the Company and copy of Memorandum of Association, indicating the proposed amendments, being referred in the resolution would be available for inspection by the Members free of cost, in physical or electronic form during business hours ie, 09.30

a.m. to 05.30 p.m. at the Registered Office and Corporate Office of the Company, up to and including the last date of Annual General Meeting.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the said resolution.

***Item No. 14 - Alteration of Memorandum of Association of the Company with respect to the Other Object Clause, Liability Clause and numberings.***

With the enactment of the Companies Act, 2013, Other Object Clauses falls under 3 (C) of the Memorandum of Association of the Company have become redundant and the same has to be deleted completely. Further, the Liability Clause, heading of the clauses and numbering of the Memorandum of Association of the Company has also to be re-aligned as per the Companies Act, 2013. Hence, your Board proposes to amend the Memorandum of Association of the Company, as mentioned in the aforesaid resolution, to have in line with the provisions of the Companies Act, 2013.

Section 13 of the Companies Act, 2013, prescribes that alteration of the Memorandum of Association of the Company requires prior approval of the Shareholders by means of Special Resolution. Hence, the proposed resolution is recommended for consideration and approval of the Members of the Company.

Copy of the existing Memorandum of Association of the Company and copy of Memorandum of Association, indicating the proposed amendments, being referred in the resolution would be available for inspection by the Members free of cost, in physical or electronic form during business hours ie, 09.30



a.m. to 05.30 p.m. at the Registered Office and Corporate Office of the Company, up to and including the last date of Annual General Meeting.

None of the Directors or Key Managerial Personnel or other relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

By Order of Board,  
For **ICL Fincorp Limited**

Sd/-

**K. G. Anilkumar**  
Managing Director  
(DIN: 00766739)

Place: Irinjalakuda

Date: 28.08.2020