



**SAKTHI FINANCE LIMITED**

**CIN: L65910TZ1955PLC000145**

**Registered Office:** 62, Dr. Nanjappa Road, Coimbatore - 641018

**Tel No:** +91(422) 2231471 – 474/4236200; **Fax:** +91 (422) 2231915

**Website:** www.sakthifinance.com **Email id:** investors@sakthifinance.com

**POSTAL BALLOT NOTICE**

[ Pursuant to Section 110 of the Companies Act 2013 read with the Companies (Management and Administration) Rules 2014]

<b>E-VOTING STARTS ON</b>	<b>E-VOTING ENDS ON</b>
<b>FRIDAY, 29 MARCH 2024</b> <b>AT 9.00 A.M. (IST)</b>	<b>SATURDAY, 27 APRIL 2024</b> <b>AT 5.00 P.M. (IST)</b>

To the members of the Company,

**NOTICE** is hereby given that pursuant to Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act 2013 ("**the Act**") (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Rule 20 and 22 of the Companies (Management and Administration) Rules 2014, as amended ("**Rules**") Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("**Listing Regulations**") as amended, Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India ("**SS-2**"), as amended and the relaxations and clarifications issued by Ministry of Corporate Affairs ("**MCA**") vide General Circular Nos. 14/2020 dated 8 April 2020, 17/2020 dated 13 April 2020, 22/2020 dated 15 June 2020, 33/2020 dated 28 September 2020, 39/2020 dated 31 December 2020, 10/2021 dated 23 June 2021, 20/2021 dated 8 December 2021, 3/2022 dated 5 May 2022, 11/2022 dated 28 December 2022 and 09/2023 dated 25 September 2023 ("**MCA Circulars**") that the Special Resolutions appended below are proposed to be passed by way of Postal Ballot only by voting through electronic means ("**remote e-voting**").

Pursuant to Section 102 and Section 110 and other applicable provisions of the Act, if any, a statement pertaining to the said Special Resolutions setting out the material facts and reasons/rationale thereof are annexed to this Postal Ballot Notice ("**Notice**") for your consideration.

In compliance with the above MCA Circulars, this Postal Ballot Notice is being sent only by e-mail to all the Members whose email addresses are available in the beneficial ownership data of National Securities Depository Limited and Central Depository Services (India) Limited ("**Depositories**") and the record of the Link Intime India Private Limited, Registrar and Share Transfer Agent ("**RTA**") of the Company as on the cut-off date i.e., Friday, 22 March 2024. As such, please note that the Physical copy of the Postal Ballot Notice along with Postal Ballot Form and pre-paid business reply envelope will not be sent to the Member for this Postal Ballot. Accordingly, the Members are required to communicate their assent or dissent through the remote e-voting facility only. The details of the procedure to cast the vote forms part of the Notes to this Notice.

The Company has engaged the services of Central Depository Services (India) Limited ("**CDSL**") as the agency to provide remote e-voting facility so as to enable the members to exercise their right to vote on the proposed resolutions by electronic means i.e., remote e-voting services.

The Board of Directors have, at their meeting held on 27 March 2024, appointed Sri. K Murali Mohan FCA, Chartered Accountant (Membership No. 14328), as the Scrutinizer for conducting process of remote e-voting in accordance with the provisions of the Act read with the Rules and the MCA circular in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman or Vice Chairman and Managing Director of the Company after the completion of scrutiny and the results of remote e-voting will be announced on or before **Tuesday, 30 April 2024 at 17:00 Hours IST** at the Registered Office at 62, Dr. Nanjappa Road, Coimbatore – 641 018 which will be placed on the Company's website: **www.sakthifinance.com** and in the website of the CDSL, **www.evotingindia.com** and on the notice board of the Company's Registered Office. The results will also be communicated to the BSE Limited, where the equity shares / securities of the Company are listed.

## **SPECIAL BUSINESS:**

### **ITEM NO. 1**

#### **ISSUE OF REDEEMABLE, CUMULATIVE, PREFERENCE SHARES ON PRIVATE PLACEMENT BASIS FOR AN AMOUNT NOT EXCEEDING ₹ 15 CRORES**

To consider and if thought fit, to pass the following resolutions as **Special Resolutions:**

**RESOLVED THAT** pursuant to the provisions of Sections 42, 55 and any other applicable provisions, if any, of the Act read with the Companies (Prospectus and Allotment of Securities) Rules 2014 and the Companies (Share Capital and Debentures) Rules 2014 (including any amendment(s), statutory modification(s) or re-enactment(s) thereof), 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, approval of the Company be and is hereby given to the Board of Directors ("**the Board**"), which term shall include any Committee thereof which the Board may have constituted or may hereinafter constitute to exercise its powers including the powers conferred by this resolution) to offer, issue and allot, in one or more tranches, 15,00,000 (Fifteen lakhs only) Redeemable, Cumulative, Preference Shares ("**Preference Shares**") of the face value of ₹ 100 each for cash at par for an amount not exceeding ₹ 1,500 lakh (Rupees One Thousand Five Hundred lakh only) on private placement basis to persons identified by the Board of Directors in their absolute discretion, whether or not such persons are members of the Company, on such terms and conditions as may be decided by the Board and subject to the following rights:

- a. The Preference Shares shall rank for dividend and in repayment of capital in priority to the equity shares for the time being of the Company. The payment of dividend shall be on a cumulative basis.
- b. The said shares shall carry a fixed cumulative preference dividend to be determined by the Board of Directors at the time of issue of preference shares on the capital for the time being paid-up thereon.
- c. The said shares shall, in winding up, be entitled to rank as regards repayment of capital and arrears of dividend, whether declared or not, up to the date of commencement of the winding up in priority to the equity shares but shall not be entitled to any further participation in the profits or surplus assets or surplus funds.
- d. The said shares will not be converted into equity shares.
- e. The voting rights of the persons holding the said shares shall be in accordance with the provisions of Section 47(2) of the Act.
- f. The said shares shall be redeemable not later than the date determined by the Board of Directors at the time of issue or such other date as may be determined by the Board of Directors provided that it does not exceed twenty years.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to delegate all or any of the powers conferred by this resolution to any Director(s) or Committee of Directors or any Officer(s) of the Company, as it may consider appropriate to give effect to the resolution.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized on behalf of the Company to do all such acts, deeds and matters and things as they may, at their discretion, deem necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard as they may, in their absolute discretion, deem fit and proper to give effect to the resolution.

## **ITEM NO. 2**

### **ISSUE OF SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES (“NCDs”) ON PRIVATE PLACEMENT BASIS FOR AN AMOUNT NOT EXCEEDING ₹ 50 CRORES**

To consider and if thought fit, to pass the following resolutions as **Special Resolutions**:

**RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act 2013 (“**the Act**”) (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Companies (Prospectus and Allotment of Securities) Rules 2014 and the Companies (Share Capital and Debentures) Rules 2014 (“**the Rules**”) and in accordance with the provisions of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021 (including any statutory modification(s) or re-enactment thereof, for the time being in force) (“**SEBI NCS Regulations**”) read with the Master Circular, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (“**Listing Regulations**”), as may be applicable, the rules, regulations, guidelines, circulars and RBI directions as applicable to the Non-Banking Financial Companies (“**NBFC**”) amended from time to time, the Memorandum and Articles of Association of the Company and subject to such other approvals as may be prescribed by regulatory authorities from time to time, the approval of the members of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as “**the Board**”) which term shall be deemed to include any Committee duly constituted / authorized Committee of the Board) to make invitation(s), to subscribe and offer(s), issue and allot, Listed, Secured, Redeemable, Non-Convertible Debentures (“**NCDs**”) on private placement basis, at such face value as may be permissible under the Act and RBI directions on private placement basis, at par, premium or discount, in one or more tranches for an amount not exceeding ₹ 50 crores, within the overall borrowing limits of the Company approved by the members.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to:

- a. decide whether to issue Secured Debentures, in one or more series or tranches;
- b. decide to list the tranches;
- c. finalize the other terms and conditions including the rate of interest, tenor and security cover thereof, the consideration of the issue, utilization of the issue proceeds and all matters connected to it;
- d. decide on the timing of each tranche.
- e. decide on the persons to whom it can be issued, including companies, bodies corporate, statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension / provident funds and individuals or such other person / persons eligible to subscribe; and
- f. do all such acts, deeds and things and give such directions and further to execute such documents, deeds, instruments, and writings as may be deemed necessary, proper and desirable or expedient to give effect to the above Resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any director(s), key managerial person(s) and /or officer(s) of the Company, to give effect to the resolution.

Notes:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 ("**the Act**") read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("**Rules**") and other applicable provisions, if any, setting out the material facts relating to the Special Resolutions contained in this Notice dated 27 March 2024 is annexed.
2. In accordance with MCA Circulars, this Notice is being sent to the Members whose names appeared in the List of Beneficial Owners received from National Securities Depository Limited ("**NSDL**")/ Central Depository Services (India) Limited ("**Depositories**") as at the close of business hours on **Friday, 22 March 2024 ("Cut-off Date")**. Members as on the Cut-off Date would be entitled to vote by way of remote e-voting and a person who is not a member as on the Cut-off Date should treat this Notice for information purpose only. This Notice is being sent electronically to all Members whose e-mail addresses are registered with Link Intime India Private Limited, Company's Registrar and Share Transfer Agent ("**RTA**"), or the Depositories/Depository Participants. A Member cannot exercise his/ her vote by proxy on Postal Ballot.
3. For Members whose e-mail addresses are not registered but mobile numbers are registered with RTA/ Depositories/ Depository Participants, the web-link for downloading the Notice is being sent through SMS.
4. Members who have not registered their email address are requested to register/update their email address, in respect of electronic holdings with the Depository through the Depository Participants concerned and in respect of physical holdings with RTA by sending an email to **coimbatore@linkintime.co.in** with the details of their Folio/Demat Account No. so as to receive this Notice and the procedure for remote e-voting along with the login ID credentials on or before 5.00 P.M. (IST) on Friday, April 19, 2024. After updation, the copy of the Notice will be sent by RTA through email.
5. The Communication of the assent/dissent to the Special Resolution proposed in the Notice would take place only through remote e-voting.
6. The Company will issue necessary advertisements in the newspaper/ e-newspaper having all India circulation and the newspaper circulating in the district where registered office of the Company is situated for the information of Members whose e-mail addresses are not available in the records of RTA and Depositories/ Depository Participants.
7. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
8. The remote e-voting period will commence on **Friday, 29 March 2024 (9:00 Hours IST)** and will end on **Saturday, 27 April 2024 (17:00 Hours IST)** for the Members exercising their vote through electronic voting. The Company has engaged the services of Central Depository Services (India) Limited ("**CDSL**") to provide remote e-voting facility to its members for voting on the Special Resolutions set out in this Notice. The remote e-voting module shall be disabled by CDSL for voting thereafter.
9. This Postal Ballot Notice will also be available on the website of the Company (<https://www.sakthifinance.com>), the relevant section of the website of the Stock Exchange on which the Equity Shares are listed i.e. BSE Limited (<https://www.bseindia.com/>) and the website of CDSL, the e-voting service providing agency to the Company (<https://www.evotingindia.com/>).

10. All relevant documents referred to in this Notice shall be available for electronic inspection without any fee by the Members from the date of dispatch of this Notice up to **Saturday, 27 April 2024**. The Members seeking to inspect such documents can send an email to **investors@sakthifinance.com**.
11. The Board of Directors has appointed Sri. K Murali Mohan FCA, Chartered Accountant (Membership No. 14328), as the Scrutinizer for conducting the process of remote e-voting in a fair and transparent manner and he has consented to act as Scrutinizer.
12. The results of the remote e-voting will be declared on or before **Tuesday, 30 April 2024 at 17:00 Hours IST** at the Registered office of the Company. The e-voting results and report of the Scrutinizer will be furnished to the Bombay Stock Exchange Limited at **www.bseindia.com** and will also be uploaded on the Company's website at **www.sakthifinance.com**. The e-voting results will also be available on the website of CDSL at **www.evotingindia.com**. The e-voting results of the Postal Ballot will also be displayed on the Notice Board of the Company at its Registered Office and Corporate Office.
13. The Resolutions in the Notice shall be deemed to be passed on the last date of e-voting period i.e. **Saturday, 27 April 2024**, if approved by the requisite majority.

#### **14. Voting through electronic means:**

In compliance with the provisions of Sections 108 and 110 of the Act read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Listing Regulations, MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9 December 2020 in relation to e-voting facility provided by Listed Entities, the Company has provided the facility of remote e-voting to all the Members, to enable them to cast their votes electronically.

During this period, Members holding shares either in physical form or in dematerialized form, as on **cut-off Date i.e. Friday, 22 March 2024**, may cast their vote electronically. Voting rights of the Members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on cut-off Date. Once the vote on the resolution is cast by the Member, he/she shall not be allowed to change it subsequently.

The details of the process and manner for remote e-voting are explained herein below:

#### **Step 1: Access through Depositories CDSL/NSDL e-voting system in case of individual shareholders holding shares in demat mode:**

- a. In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e- Voting facility.
- b. Pursuant to above said SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode in CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <b>www.cdslindia.com</b> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-voting service provider for casting your vote during the remote evoting period or joining virtual meeting and voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <b>www.cdslindia.com</b> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on <b>www.cdslindia.com</b> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <b>https://eservices.nsdl.com</b> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-Voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <b>https://eservices.nsdl.com</b>. Select "Register Online for IDeAS "Portal or click at</li> </ol>

	<p><a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your Sixteen Digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.

**Important note: Members who are unable to retrieve User ID/ Password are advised to use "Forget User ID" and "Forget Password" option available at above mentioned website.**

**Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2: Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

- a. Login method for e-Voting for shareholders holding shares in physical mode and shareholders other than individuals holding in Demat mode.
  - 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on "Shareholders" module.

- 3) Now enter your User ID
- b. For CDSL: 16 digits Beneficiary ID,
- c. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- d. Shareholders holding shares in physical mode should enter Folio Number registered with the Company.
  - 1) Next enter the Image Verification as displayed and Click on Login.
  - 2) If you are holding shares in demat mode and had logged on to **www.evotingindia.com** and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 3) If you are a first-time user follow the steps given below:

	<b>For shareholders holding shares in physical mode and other than individual shareholders holding shares in Demat</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for shareholders holding shares both in Demat and physical mode) 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 <b>OR</b> Date of Birth (DOB)	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.  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.

- e. After entering these details appropriately, click on **"SUBMIT"** tab.
- f. Shareholders holding shares in physical mode will then directly reach the Company selection screen. However, shareholders holding shares in demat mode 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.
- g. For shareholders holding shares in physical mode, the details can be used only for e-voting on the Resolution contained in this Notice.
- h. Click on the EVSN for the **"Sakthi Finance Limited"** on which you choose to vote.
- i. 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.
- j. Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.



- k. 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.
- l. Once you **"CONFIRM"** your vote on the Resolution, you will not be allowed to modify your vote.
- m. You can also take a print of the votes cast by clicking on **"Click here to print"** option on the voting page.
- n. 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"** and enter the details as prompted by the system.
- o. There is also optional provision to upload Board Resolution / Power of Attorney, if any. The said uploaded document will be made available to scrutinizer for verification.
- p. Additional Facility for Non – Individual Members and Custodians – For Remote evoting only.
  - 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.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
  - 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.
  - The list of accounts linked in the login will be mapped and can be delinked in case of any wrong mapping.
  - It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non-Individual Shareholders are required mandatory 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 and to the Company at the email address, **coimbatore@linkintime.co.in**, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
  - Members of the Company including Institutional Investors are encouraged to vote on the Resolutions proposed in this Notice.

#### **15. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY /DEPOSITORIES**

- For shareholders holding shares in physical mode – please email to **coimbatore@linkintime.co.in** by mentioning your Folio No., Name, PAN (self-attested scanned copy of PAN), and AADHAR (self-attested scanned copy).
- For shareholders holding shares in Demat mode – Please update your email id and mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-voting System, you can write an email to **helpdesk.evoting@cdslindia.com** or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Senior Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compound, N.M. Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an email to **helpdesk.evoting@cdslindia.com** or call at toll free no. 1800 22 55 33.

Any query in relation to the Resolutions proposed to be passed through Postal Ballot may be addressed to: Sri C Subramaniam, Company Secretary, **Registered Office: Sakthi Finance Limited**, 62, Dr Nanjappa Road, Coimbatore – 641018. **Tel No:** +91(422) 4236238 – 4236200; **Fax:** +91 (422) 2231915 **Website:** [www.sakthifinance.com](http://www.sakthifinance.com) **Email id:** [investors@sakthifinance.com](mailto:investors@sakthifinance.com).

### **UPDATION OF KYC DETAILS**

Members holding shares in physical form are requested to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers (KYC) by sending an e-mail request along with duly signed Form ISR-1 and other relevant forms to our RTA at the e-mail ID: **coimbatore@linkintime.co.in**.

Based on representations received from the Registrars' Association of India, feedback from investors and to mitigate unintended challenges on account of freezing of folios and referring frozen folios to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act 2002, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated 17 November 2023 has dispensed with the above provisions of para 19.2 of the SEBI Master Circular for Registrars to an Issue and Share Transfer Agents dated 17 May 2023.

Accordingly, Member's folios will not be frozen nor would be referred to administering authority on account of non-submission of KYC. The said SEBI circular can be accessed on Company's website at <https://www.sakthifinance.com/investor-information/>.

### **ELECTRONIC PAYMENT OF DIVIDEND/INTEREST/REDEMPTION FROM 1 APRIL 2024 TO PHYSICAL SECURITY HOLDERS**

SEBI vide its circular dated November 03, 2021 amended by circulars dated 14 December 2021, 16 March 2023 and 17 November 2023 mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from 1 April 2024.

In case of non-updation of PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend/interest etc. shall be paid only through electronic mode with effect from 1 April 2024 upon furnishing all the above details in entirety.

If a security holder updates the PAN, Choice of Nomination, Contact Details including Mobile Number, Bank Account Details and Specimen Signature after 1 April 2024, then the security holder would receive all the dividends/interest etc. declared during that period (from 1 April 2024 till date of updation) pertaining to the securities held after the said updation automatically.

**Place :** Coimbatore  
**Date :** 27 March 2024

By Order of the Board  
For **Sakthi Finance Limited**  
C Subramaniam  
Company Secretary and  
Compliance officer  
Membership No: FCS 6971

**Registered Office:**  
**Sakthi Finance Limited**  
CIN : L65910TZ1955PLC000145  
62, Dr. Nanjappa Road, Coimbatore - 641 018  
**Phone :** (0422) 2231471-74, 4236200  
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**Website :** www.sakthifinance.com

## **STATEMENT OF MATERIAL FACTS UNDER SECTION 102 OF THE COMPANIES ACT 2013**

The following Statement sets out all material facts relating to the business mentioned under Item No. 1 to 2 of the accompanying Notice dated March 27, 2024

### **SPECIAL BUSINESS**

#### **Item No.1**

The Authorised Share Capital of the Company is 10,00,00,000 (10 crores) equity share of ₹ 10 each and 30,00,000 (30 lakhs) Redeemable, Cumulative Preference Shares (“RCPS”) of ₹ 100 each, aggregating to ₹ 130 crores. At the last AGM held on 21 September 2023, the members approved issue of RCPS for an amount not exceeding ₹ 15 crores on private placement basis. Accordingly, during this financial year 2023-24, the Company has raised RCPS around ₹ 15 crores since December 2023.

To increase net worth, to strengthen the Capital Adequacy Ratio and to meet the Working Capital requirements of the Company, the company intends to issue, in one or more tranches, 15,00,000, Redeemable, Cumulative, Preference Shares (“RCPS”) of ₹ 100 each for an amount not exceeding ₹ 15 crore on private placement basis to such person(s) identified by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any duly constituted / to be constituted Committee of the Board thereof to exercise its powers including powers conferred by this resolution) in their absolute discretion whether or not such persons are members of the Company on such terms and conditions as may be decided by the Board of Directors at their discretion.

The Special Resolution authorizing the Board of Directors to offer, issue and allot RCPS at their discretion, as detailed in the resolution, is placed before the members for their approval.

The terms and conditions of the RCPS shall be subject to the provisions of the Act and the related rules as amended, under the Act and the Memorandum and Articles of Association of the Company.

**Disclosures as required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules 2014, the material facts in relation to the above issue of Preference Shares, Rule 13(2) of the Companies (Share Capital and Debentures) Rules 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014, and any other rules and regulations, to the extent applicable, are as follows:**

a	Particulars of the offer including date of passing of Board resolution	Redeemable, Cumulative Preference Shares Date of Board Meeting: 27 March 2024
b	Size of the issue and the number of preference shares to be issued and the nominal value of each share	The Company proposes to issue and allot not exceeding 15,00,000 (Fifteen Lakh Only) Redeemable, Cumulative, Preference Shares {“RCPS”) of face value of ₹100 each for cash at par aggregating a nominal value not exceeding ₹ 15 crore to various persons/ entities identified by the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any duly constituted / to be constituted Committee of the Board thereof to exercise its powers including powers conferred by this resolution) and whether or not they are members of the Company.

c	Nature of such shares. i.e. cumulative or non-cumulative, participating or non-participating, convertible or non-convertible	Redeemable, Cumulative, Non-participating and Non-Convertible Preference Shares																					
d	Objectives of the issue	To increase the net worth, to strengthen the Capital Adequacy Ratio and to meet the working capital requirements of the Company																					
e	Manner of issue of shares	On private placement basis																					
f	Price at which such shares are proposed to be issued	₹ 100 each																					
g	Basis on which the price has been arrived at	None																					
h	Terms of issue, including terms and rate of dividend on each share etc	As mentioned in the resolution in Item No 1, the rate of dividend will be decided by the Board of Directors at the time of issue.																					
i	Terms of redemption, including the tenure of redemption, if any, redemption of shares at premium and if the preference shares are convertible, the terms of conversion	The period of redemption will be decided by the Board of Directors but in no case shall exceed a period of 20 years from the date of issue. Redemption of preference shares at premium is not applicable and there is no conversion of shares																					
j	Manner and modes of redemption	Out of profits and /or out of the fresh issue of capital, as the case may be																					
k	Current shareholding pattern of the Company	<p>Equity shareholding pattern as on 31 December 2023:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>No of Shares</th> <th>%of equity capital</th> </tr> </thead> <tbody> <tr> <td>Promoter and Promoter Group</td> <td>4,33,63,007</td> <td>67.02</td> </tr> <tr> <td>Banks, Financial Institutions and Mutual Funds</td> <td>900</td> <td>0.00</td> </tr> <tr> <td>Bodies Corporate including Overseas Corporate Body</td> <td>1,57,34,607</td> <td>24.32</td> </tr> <tr> <td>Non-Resident Indians</td> <td>19,801</td> <td>0.03</td> </tr> <tr> <td>Resident Individuals and Others</td> <td>55,87,567</td> <td>8.63</td> </tr> <tr> <td><b>Total</b></td> <td><b>6,47,05,882</b></td> <td><b>100.00</b></td> </tr> </tbody> </table> <p>Detailed shareholding pattern is available on the website of the Company, i.e. <a href="http://www.sakthifinance.com">www.sakthifinance.com</a> and also available on the website of the BSE Ltd i.e., <a href="http://www.bseindia.com">www.bseindia.com</a>.</p>	Category	No of Shares	%of equity capital	Promoter and Promoter Group	4,33,63,007	67.02	Banks, Financial Institutions and Mutual Funds	900	0.00	Bodies Corporate including Overseas Corporate Body	1,57,34,607	24.32	Non-Resident Indians	19,801	0.03	Resident Individuals and Others	55,87,567	8.63	<b>Total</b>	<b>6,47,05,882</b>	<b>100.00</b>
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l	Expected dilution in equity share capital upon conversion of preference shares	Not applicable																					
m	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	Promoters or Directors may subscribe to the offer.																					

Accordingly, the Board of Directors recommend the Special Resolution set out in Item No 1 of the accompanying Notice for the consideration and approval of the members.

None of the Directors or Key Managerial Personnel or their relatives, is concerned or interested, financially or otherwise, in the passing of the Special Resolution.

## Item No. 2

As per Section 42 and 71 of the Companies Act 2013 (“the Act”) (including any statutory modification(s) or re-enactment thereof for the time being in force), read with the Companies (Prospectus and Allotment of Securities) Rules 2014 and the Companies (Share Capital and Debentures) Rules 2014 (“Rules”) a company which offers or makes an invitation to subscribe to Non-Convertible Debentures (“NCDs”) on private placement basis, is required to obtain the prior approval of the members by way of a Special Resolution, which can be obtained once in a year for all the offers and invitations for such NCDs during the year.

Accordingly, the members had approved issue of NCDs at a face value of ₹ 1,000 each and other debt securities up to ₹ 750 crore at the 66th Annual General Meeting held on 21 September 2023 which is valid up to the date of conclusion of 67th Annual General Meeting to be held in the year 2024.

Borrowings through NCDs and other debt securities, issued on private placement basis form a significant source of funds for the Company.

Since SEBI LODR / NCS Regulations, read with Master Circular, as amended has mandated all the listed companies whose non-convertible debt securities listed shall list the NCDs proposed to be issued on or after 1 January 2024 on the Stock Exchange(s) and the face value of privately placed Secured NCDs to be ₹ 1,00,000 each. As the resolution passed at the AGM 2023 is for at a face value of ₹ 1,000 each only, the Company is required to issue Secured NCDs at a face value of ₹ 1,00,000 each, which will be listed in Stock Exchanges.

Hence, the approval of the Members is being sought by way of a Special Resolution for the proposed issue of NCDs up to an amount of ₹ 50 Crore through Postal Ballot. Further, Members are requested to authorize the Board (including any committee thereof) to offer and issue NCDs on private placement basis, in one or more series or tranches, within the overall borrowing limits of the Company, as approved by the members (₹ 2,500 crores) on 5 April 2014 through Postal Ballot.

The issue proceeds are expected to be used to fund the hire purchase finance operations of the Company and for general working capital requirements and Redemption of NCDs.

**Disclosures as required under Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014 to the extent applicable, the material facts in relation to the above issue of NCDs and other debt securities are as follows:**

Particulars of the offer including date of passing of Board resolution	Secured Redeemable, Non-Convertible Debentures (“NCDs”) in one or more series or tranches Date of Board Meeting: 27 March 2024
Kinds of securities offered and the price at which security is being offered	NCDs of Face Value of NCDs: ₹ 1,00,000 each or such other amount as may be decided by the Board.
Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	Not applicable

Name and address of valuer who performed valuation	Not applicable
Amount which the company intends to raise by way of such securities	For an amount not exceeding ₹ 50 crores in aggregate.
Material Terms of raising of securities: Duration, if applicable, Rate of dividend or rate of interest, mode of payment and repayment	<b>Terms</b> NCDs: 15 to 120 months Interest Rate: Not exceeding 12% per annum. Mode of payment: NEFT / Cheque / DD Repayment: NEFT / Cheque / DD on the date of maturity
Proposed time schedule for which the offer letter is valid	Validity commencing from the conclusion of this Postal Ballot / remote e-voting
Purposes and objects of the offer	To finance the business operations and increased working capital requirements of the Company and redemption of NCDs.
Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	Promoters or Directors may subscribe to the offer.
Principal terms of assets charged as security, if applicable	Secured NCDs: Security cover will be 100% of the Issue size

Accordingly, the Board of Directors recommend the Special Resolution set out in Item No 2 of the accompanying Notice for the consideration and approval of the members.

None of the Directors or Key Managerial Personnel or their relatives, is concerned or interested, financially or otherwise, except to the extent of NCDs and other debt securities that may be subscribed to by their relatives or companies/firms in which they are interested.

**Place :** Coimbatore  
**Date :** 27 March 2024

By Order of the Board  
For **Sakthi Finance Limited**  
C Subramaniam  
Company Secretary and  
Compliance officer  
Membership No: FCS 6971