

Sumedha Fiscal Services Ltd.

Corporate Identification Number: L70101WB1989PLC047465

Registered Office: 6A, Geetanjali, 8B, Middleton Street, Kolkata – 700071

Tel: 033-2229-8936/6758 Fax: 033-2226-4140/033-2265-5830

Email: investors@sumedhafiscal.com Website: www.sumedhafiscal.com

NOTICE OF 29TH ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Ninth Annual General Meeting of Sumedha Fiscal Services Ltd. will be held at Merchants' Chamber of Commerce & Industry, 15B Hemanta Basu Sarani, Kolkata – 700 001, on Saturday, the 15th day of September, 2018 at 10:30 AM for transaction of the following business:-

ORDINARY BUSINESS

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2018 and the report of Auditors thereon and in this regard, pass the following resolutions as **Ordinary Resolutions**:
 - a. **“RESOLVED THAT** the Audited Financial Statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
 - b. **“RESOLVED THAT** the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2018 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
2. To declare a dividend on equity shares for the financial year ended March 31, 2018 and in this regard, pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT a dividend at the rate of ₹1/- (One rupee only) per equity share of ₹10/- (Ten rupees) each fully paid-up of the Company be and is hereby declared for the financial year ended March 31, 2018 and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the financial year ended March 31, 2018.”
3. To appoint Mr. Anil Kumar Birla, who retires by rotation as a Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Anil Kumar Birla (DIN: 00015948), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS

4. To re-appoint **Mr. Ratan Lal Gaggar** as an Independent Director and in this regard, pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], Mr. Ratan Lal Gaggar (DIN: 00066068) who was appointed as an Independent Director and who holds office as an Independent Director up to March 31, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not

liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to March 31, 2024.”

5. To re-appoint **Dr. Basudeb Sen** as an Independent Director and in this regard, pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], Dr. Basudeb Sen (DIN: 00056861), who was appointed as an Independent Director and who holds office as an Independent Director up to March 31, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to March 31, 2024.”

6. To re-appoint **Mr. Prashant Sekhar Panda** as an Independent Director and in this regard, pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], Mr. Prashant Sekhar Panda (DIN: 00596554), who was appointed as an Independent Director and who holds office as an Independent Director up to March 31, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to March 31, 2024.”

7. **Approval of Amendments in ‘SFSL Employee Stock Option Scheme 2011’**

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

“**RESOLVED THAT** in partial modification of earlier special resolution passed by the members of the Company on March 24, 2011 approving the SFSL Employee Stock Option Scheme 2011 contemplating grant of options to the eligible employees including Directors of the Company, pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and in accordance with the Memorandum and Articles of Association of the Company, Regulation 7 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject further to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the Company be and is hereby accorded to the **amended SFSL Employee Stock Option Scheme, 2011 (“Scheme”)** being amended in terms of alignment with the provisions of SEBI SBEB Regulations and variance in the provisions of the Scheme by way of amendment in the vesting period, exercise price formula, exercise period in case of separation of employees and other routine clauses with a view to enhance attractiveness of the Scheme and ensure administrative convenience thereof.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (*hereinafter referred to as the “Board” which term shall be deemed to include Compensation Committee or any authorized committee which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution and as per Regulation 5 of the SEBI SBEB Regulations*) be and is hereby authorised on behalf of the Company to make any / further modifications, changes, variations, alterations or revisions in the Scheme from time to time as permitted under and in due compliance with provisions of the Companies Act, 2013 and the SEBI SBEB Regulations and

to do all such acts, deeds, matters and things and sign deeds, documents, letters and such other papers as may be necessary, desirable and expedient, as it may in its absolute discretion deem fit or necessary or desirable for such purpose including giving effect to the aforesaid amendments in the Scheme and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

8. Approval of amendments in ‘SFSL Employee Stock Option Scheme 2011’ envisaging grant thereunder to the eligible employees of the Subsidiary Company(ies) of the Company

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

“**RESOLVED THAT** in partial modification of earlier special resolution passed by the members of the Company on March 24, 2011 approving the SFSL Employee Stock Option Scheme 2011 contemplating grant of options to the eligible employees including Directors of the Subsidiary Company(ies) of the Company, pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and in accordance with the Memorandum and Articles of Association of the Company, Regulation 7 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject further to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the Company be and is hereby accorded to the **amended SFSL Employee Stock Option Scheme, 2011 (“Scheme”)** being amended in terms of alignment with the provisions of SEBI SBEB Regulations and variance in the provisions of the Scheme by way of amendment in the vesting period, exercise price formula, exercise period in case of separation of employees and other routine clauses with a view to enhance attractiveness of the Scheme and ensure administrative convenience thereof.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (*hereinafter referred to as the “Board” which term shall be deemed to include Compensation Committee or any authorized committee which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution and as per Regulation 5 of the SEBI SBEB Regulations*) be and is hereby authorised on behalf of the Company to make any further modifications, changes, variations, alterations or revisions in the Scheme from time to time as permitted under and in due compliance with provisions of the Companies Act, 2013 and the SEBI SBEB Regulations and to do all such acts, deeds, matters and things and sign deeds, documents, letters and such other papers as may be necessary, desirable and expedient, as it may in its absolute discretion deem fit or necessary or desirable for such purpose including giving effect to the aforesaid amendments in the Scheme and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

Registered Office:
6A, Geetanjali,
8B, Middleton Street,
Kolkata – 700 071.
Date: 11th August, 2018

By Order of the Board
Deb Kumar Sett
Company Secretary

Notes:

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the Annual General Meeting (“Meeting”) is annexed hereto.
2. **A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.
3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
4. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from **Monday, September 10, 2018 to Saturday, September 15, 2018** (both days inclusive). The **Book Closure** dates have been fixed in consultation with the Stock Exchanges.
6. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting and the business set out in the Notice will be transacted through such voting. Information and instructions including details of user id and password relating to e-voting are sent herewith. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again. The members who have cast their vote(s) by using remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting.
7. In terms of the provisions of Section 152 of the Act, Mr. Anil Kumar Birla, Director, retire by rotation at the Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company commend his re-appointment.
8. Mr. Anil Kumar Birla is interested in the Ordinary Resolution set out at Item Nos. 3 of the Notice with regard to his re-appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item Nos. 1 to 3 of the Notice.
9. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on **September 23, 2017**.
10. Details of Directors retiring by rotation / seeking re-appointment at the ensuing Meeting are provided in the “**Annexure**” to the Notice.
11. Members / Proxies / Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copies of Annual Report. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
12. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the

Company on all working days (i.e. except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting. The aforesaid documents will be also available for inspection by members at the Meeting.

13. The dividend on equity shares, if declared at the Meeting, will be credited a week / despatched within 30 days from the conclusion of the Meeting to those members whose names appear on the Company's Register of Members on the Record Date fixed for the purpose; in respect of the shares held in dematerialised mode, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
14. Members holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their Depository Participants ("DPs") with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested to advise any change in their address or bank mandates to the Company / Company's Registrar and Transfer Agents, i.e. Maheshwari Datamatics Private Limited ("MDPL"). The Bank Mandate Form (**NECS Mandate**) is annexed herewith and can be downloaded from website of the Company through the link (http://www.sumedhafiscal.com/ecs_mandate.pdf).
15. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Saturday, September 08, 2018**, being the **cut-off date**, are entitled to vote on the Resolutions set forth in this Notice.

Members may cast their votes on electronic voting system from any place other than the venue of the meeting (remote e-voting). The **remote e-voting period** will commence at **Wednesday, September 12, 2018** (9.00 A.M. IST) and end on **Friday, September 14, 2018** (5.00 P.M. IST). Voting by ballot process shall be available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Company has appointed M/s. A. K. Labh, a firm of Company Secretaries in Practice, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

PROCEDURE FOR REMOTE E-VOTING

- I. The Company has entered into an arrangement with Central Depository Services (India) Limited (**CDSL**) for facilitating remote e-voting for AGM. The instructions for remote e-voting are as under:
 - (i) The voting period begins on Wednesday, September 12, 2018 (9.00 A.M. IST) and ends on Friday, September 14, 2018 (5.00 P.M. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 08, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iv) Click on Shareholders.
 - (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (vi) Next enter the Image Verification as displayed and Click on Login.
 - (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
	<ul style="list-style-type: none"> In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
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
OR Date of Birth (DOB)	<ul style="list-style-type: none"> 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).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Sumedha Fiscal Services Ltd. on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) 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.
- (xix) **Shareholders can also cast their vote using CDSL’s mobile app “CDSL m-Voting” available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - 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.
- (xxi) In case of any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- II. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer’s Report, shall also be placed on the website of the Company.
16. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2009-10, from time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on September 23, 2017 (date of the previous Annual General Meeting) on the website of the Company and the same can be accessed through the link: <http://www.sumedhafiscal.com/UnpaidUnclaimedDividend.asp>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.
17. (a) **Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2017-18, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. October 31, 2017. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: <http://www.sumedhafiscal.com/shares-iepf.asp>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.**
- (b) **Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/ investors are advised to visit the weblink: <http://www.iepf.gov.in/IEPFA/refund.html> or contact MDPL for lodging claim for refund of shares and / or dividend from the IEPF Authority.**
18. **SEBI has decided that securities of listed companies can be transferred only in dematerialised form from a cut-off date, to be notified. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.**
19. Due dates for transfer of unclaimed/unpaid dividends for the financial year 2010-11 and thereafter to IEPF:

FY ended	Declaration Date	Due Date
March 31, 2011	20-Aug-11	26-Sep-18
March 31, 2012	25-Aug-12	01-Oct-19
March 31, 2013	10-Aug-13	16-Sep-20
March 31, 2014	13-Sep-14	20-Oct-21
March 31, 2015	12-Sep-15	19-Oct-22
March 31, 2016	17-Sep-16	24-Oct-23
March 31, 2017	23-Sep-17	30-Oct-24

20. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“THE ACT”)

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

Item Nos. 4, 5 and 6

Mr. Ratan Lal Gaggar (DIN: 00066068), Dr. Basudeb Sen (DIN: 00056861) and Mr. Prashant Sekhar Panda (DIN: 00596554) were appointed as Independent Directors of the Company and they hold office as an Independent Director of the Company up to March 31, 2019 (“first term”).

The Nomination and Remuneration Committee of the Board of Directors (**NRC**), on the basis of the report of performance evaluation, has recommended re-appointments of Mr. Ratan Lal Gaggar, Dr. Basudeb Sen and Mr. Prashant Sekhar Panda as Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the NRC, considers that, given their respective backgrounds and experience and contributions made by each of them during their tenures, their continued association would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, it is proposed to re-appoint Mr. Ratan Lal Gaggar, Dr. Basudeb Sen and Mr. Prashant Sekhar Panda as Independent Directors of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company. Mr. R. L. Gaggar (aged 85 years) has been recommended for re-appointment pursuant to Regulation 17(1A) of the Listing Regulations, 2015 due to his long association and substantial value creation for the Company.

None of Mr. Ratan Lal Gaggar, Dr. Basudeb Sen and Mr. Prashant Sekhar Panda is disqualified from being appointed as a Director in terms of Section 164 of the Act and they have given their consent to act as a Director.

The Company has also received declaration from all of them that they meet the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

In the opinion of the Board, Mr. Ratan Lal Gaggar, Dr. Basudeb Sen and Mr. Prashant Sekhar Panda fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. All of the said Directors are independent of the management.

Details of Mr. Ratan Lal Gaggar, Dr. Basudeb Sen and Mr. Prashant Sekhar Panda, are provided in the “Annexure” to the Notice. They shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof, reimbursement of expenses for participating in the Board and other meetings.

Copy of draft letter of appointment of Mr. Ratan Lal Gaggar, Dr. Basudeb Sen and Mr. Prashant Sekhar Panda setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

Mr. Ratan Lal Gaggar, Dr. Basudeb Sen and Mr. Prashant Sekhar Panda are respectively interested in the resolution set out at Item Nos. 4, 5 and 6 of the Notice with regard to their re-appointments. Their respective Relatives may be deemed to be interested in the resolutions to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolutions.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

The Board commends the Special Resolutions set out at Item Nos. 4, 5 and 6 of the Notice for approval by the members.

EXPLANATORY STATEMENTS UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item Nos. 7 and 8

Approval of Amendments in 'SFSL Employee Stock Option Scheme 2011'

The Company had implemented an equity based compensation plan namely the SFSL Employee Stock Option Scheme 2011 ("Scheme") pursuant to members' approval vide special resolution dated March 24, 2011. The Scheme was implemented with a view to attract and retain key talents by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

The said Scheme was framed and implemented in due compliance with the then prevailing Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 ("Guidelines"). Since then, there have been significant regulatory changes namely introduction of (i) Companies Act, 2013 repealing erstwhile Companies Act, 1956; and (ii) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations") repealing erstwhile SEBI ESOS Guidelines. Although the Scheme has been compliant with the SEBI SBEB Regulations as on today, the Scheme (prior to amendment) referred to the erstwhile Guidelines and provisions therein. Thus, it was thought expedient to update the Scheme in line with the current regulations.

The Scheme was originally approved and implemented in year 2011 and with efflux of time, it is also considered expedient to review some of its terms with a view to bring-in attractiveness, better controllability and administrative convenience. To achieve the same, amended Scheme proposes to vary some of its terms by way of (i) increasing the maximum vesting period from 3 to 4 years, (ii) changing the exercise price formula to any price not lesser than the face value of shares giving more flexibility to rationalize use of options/ equity dilution with trade off with exercise price, where-ever needed, (iii) re-defining of shorter exercise period in case of separation from employment/ service due to various reasons including death and permanent disability of grantees, and (iv) inserting/ modifying certain routine clauses to ensure administrative convenience.

As per SEBI SBEB Regulations, a company may vary the terms of an employee stock option or Scheme provided such variation is not prejudicial to the interests of the employees and that the proposal is approved by the members by way of a special resolution. The proposed variation/ amendment of exercise price as aforesaid, is not detrimental to the interests of the employees. The beneficiaries of the variation/ amendment are eligible employees of the Company and of its subsidiaries.

Subject to your approval, the Compensation of the Board of Directors and the Board of Directors of the Company have approved the amended ESOS – 2014 vide their respective resolutions, both dated August 11, 2018.

Given the details of variation/ amendment, rationale thereof and beneficiaries of such variation, as per SEBI SBEB Regulations, your approval is sought for the variation/amendment to the Scheme in the lines stated above.

Features of Scheme remain the same as originally approved except as stated above. However, the features are reproduced in terms of SEBI SBEB Regulations, as under:

a. Brief description of the Scheme

The Scheme is being implemented with a view to attract, retain, incentivise and motivate retain, key talents of the Company and its subsidiaries that would lead to higher corporate growth and shareholders' value. Options granted shall vest only after vesting period and subject to satisfaction of vesting conditions. After vesting of options, the vested options can be exercised by the employees. Company shall issue shares upon exercise and the concerned employee may like to hold the shares till a time period at his/ her discretion and sell the shares to earn incentives. Nomination and Remuneration Committee ("Committee") of the Board of Directors is to supervise and administer the Scheme.

b. Total number of Options to be granted

The Scheme as originally approved contemplated not exceeding 3,99,221 (Three Lakh Ninety Nine Thousand Two Hundred and Twenty One) options exercisable into not exceeding 3,99,221 (Three Lakh Ninety Nine Thousand Two Hundred and Twenty One) Equity Shares of the Company of face value of ₹ 10/- each fully paid up.

c. Identification of classes of employees entitled to participate in the Scheme

(i) a permanent employee of the Company who has been working in India or outside India; or (ii) a Director of the Company, whether whole-time or not, but excluding an Independent Director; or (iii) an employee defined in clauses (i) and (ii) hereof one or more subsidiaries, present or future, of the Company, in India or outside India, but excludes-

- a) an employee who is a Promoter or belongs to the Promoter Group; or
- b) a Director who either by himself/herself or through his /her relatives or through any-body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company.

d. Requirements of vesting and period of vesting

All the Options granted on any date shall vest not earlier than 1 (One) year and not later than a maximum of 4 (Four) years from the date of grant of Options as may be determined by the Committee. Specific vesting schedule from one occasion of grant to another may vary. The minimum requirement of vesting is a grantee employee's retention with the Company or subsidiary, as the case may be. Apart from that the Committee may prescribe for achievement of performance conditions for vesting.

e. Maximum period within which the options shall be vested

All the Options granted on any date shall vest not later than a maximum of 4 (Four) years from the date of grant of Options as may be determined by the Committee.

f. Exercise price or pricing formula

Exercise price per option shall be such as may be decided by the Committee being not lesser than the face value of an Equity Share at the time of grant of such Option. Exercise price per Option may be different from grant to grant depending upon any discount considered from the market price prevailing as on date of grant.

g. Exercise period and the process of Exercise

The Exercise period would commence from the date of vesting and will expire on completion 3 (Three) years from the date of respective vesting or such other shorter period as may be decided by the Committee from time to time.

The vested option shall be exercisable by the employees by a written application to the Company expressing his/her desire to exercise such Options in such manner and on such format as may be prescribed by the Committee from time to time. The Options shall lapse if not exercised within the specified exercise period.

h. Appraisal process for determining the eligibility of employees under the Scheme

The Committee shall determine the eligibility criteria for the employees and the directors of the Company and the subsidiary companies under the Scheme. The eligibility criteria shall, inter alia, include company performance parameters as well as individual performance parameters as may be deemed appropriate by the Committee. Employees against whom any disciplinary proceedings are initiated / pending are not eligible.

i. Maximum number of Options to be issued per employee and in aggregate

As originally envisaged under the Scheme, no single employee shall be granted, in a block of 5 years commencing from the date on which options are first granted to him/her, options to subscribe more than 1% of the issued and subscribed share capital of the Company as on 9-Nov-13 i.e. 79,844 Shares (as adjusted for any bonus, rights, sub-division or other re-organization of the capital structure of the Company from time to time). The aggregate of all such grants under the Scheme shall not exceed the total options reserved.

j. Maximum quantum of benefits to be provided per employee under the Scheme

There is no contemplation of provision of any monetary benefit except the grant of options. In this context, the maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the market price of the shares as on the date of exercise of options/ sell of shares.

k. Route of Scheme implementation

The Scheme shall be implemented and administered directly by the Company. In case Company wishes otherwise, it may be intimated to/ prior approval sought from the members in due course as per applicable laws.

l. Source of acquisition of shares under the Scheme

The Scheme as originally contemplated and as amended envisages fresh/new issue of shares by the Company.

m. Amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.

This is not applicable.

n. Maximum percentage of secondary acquisition

This is not applicable.

o. Accounting and Disclosure Policies

The Company shall follow the Guidance Note on Accounting for Employee Share-based Payments and/or any relevant Accounting Standards as may be prescribed by the competent authorities from time to time, including the disclosure requirements prescribed therein.

p. Method of option valuation

The Company will adopt the fair value method for valuation of options. Notwithstanding the above, the Company may adopt any other method as may be required under prevailing applicable laws.

q. Declaration

In case the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on Earning Per Share (“EPS”) of the Company shall also be disclosed in the Directors’ Report.

A draft copy each of original and amended version of Schemes are available for inspection at the Company’s Registered Office / Corporate Office during official hours on all working days (excluding Saturdays, Sundays and Holidays) till September 15, 2018.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolution, except to the extent of their entitlements, if any, under the Scheme.

In light of above, you are requested to accord your approval to the Special Resolutions as set out at Agenda Items Nos. 7 and 8 of the accompanying Notice.

Registered Office:
6A, Geetanjali,
8B, Middleton Street,
Kolkata – 700 071.
Date: 11th August, 2018

By Order of the Board
Deb Kumar Sett
Company Secretary

**PARTICULARS RELATING TO DIRECTOR PROPOSED
TO BE APPOINTED/RE-APPOINTED**

Name	Mr. Anil Kumar Birla	
Date of Birth	12-Oct-1965 (Age : 52.5 years)	
Date of Appointment	30-Nov-2005	
Qualifications	B.Com, FCA	
Expertise/Experience	Mr. Birla, is a practicing Chartered Accountant with wide ranging experience in Audit, Strategy Formulation and Financial Planning. He has proven leadership skills for motivating teams to achieve Company objectives. He has 31 years of experience in the area.	
No. of Board Meeting attended during the year	4 out of 4	
Chairman/Member of the Committee of the Company	Stakeholders Relationship Committee, Member Management Committee, Member	
Other Directorships / Membership or Chairmanship of Committees of other Boards	Name of the Company	Committee Membership, if any
	<input type="checkbox"/> Listed Companies	
	-	
	<input type="checkbox"/> Unlisted Companies	
	1. Span Health Care Pvt. Ltd.	
	2. Schoolcity Learning India Pvt. Ltd.	
	3. Vardaan Advisors Pvt. Ltd.	
	4. Span Healthcare Consulting Pvt. Ltd.	
Details of Remuneration	Fees of attending meetings of the Board of Directors of the Company and Committees thereof.	
Shareholding in the Company (as on 31.03.2018)	6,000 Equity Shares of ₹ 10/- each	
Relationship	Not related to any Director or Key Managerial Personnel	
Terms and conditions of appointment or re-appointment	Subject to rotational retirement	

Name	Mr. Ratan Lal Gaggar	
Date of Birth	01-Dec-1932 (Age : 85 years)	
Date of Appointment	30-Mar-1993	
Qualifications	B.A., LLB	
Expertise/Experience	Mr. Gaggar is an eminent Solicitor and ranks amongst the foremost Legal Practitioners in the Country and his expertise has been of considerable support to the Company. He is having experience of 61 years.	
No. of Board Meeting attended during the year	4 out of 4	
Chairman/Member of the Committee of the Company	Chairman of the Board of Directors of the Company	
Other Directorships / Membership or Chairmanship of committees of other Boards	Name of the Company	Committee Membership, if any
	<input type="checkbox"/> Listed Companies	
	1. Sarda Plywood Industries Ltd.	<input type="radio"/> Audit Committee, Member <input type="radio"/> Shareholders/ Investors Grievance Committee, Member <input type="radio"/> Remuneration Committee, Member
	2. TIL Ltd.	<input type="radio"/> Audit Committee, Member <input type="radio"/> Share Transfer Committee, Member <input type="radio"/> Remuneration Committee, Chairman
	3. International Combustion (India) Ltd.	<input type="radio"/> Audit Committee, Member <input type="radio"/> Remuneration Committee, Member
	4. Machino Plastics Ltd.	
	5. Shree Cement Ltd.	<input type="radio"/> Audit Committee, Member <input type="radio"/> Nomination and Remuneration Committee, Chairman <input type="radio"/> Stakeholders' Relationship Committee, Chairman
	<input type="checkbox"/> Unlisted Companies	
	6. Subhash Kabini Power Corporation Ltd.	<input type="radio"/> Audit Committee, Member <input type="radio"/> Nomination and Remuneration Committee, Member
	7. Paharpur Cooling Towers Ltd.	<input type="radio"/> Audit Committee, Member <input type="radio"/> Selection Committee, Chairman <input type="radio"/> Remuneration Committee, Chairman <input type="radio"/> Management Committee, Member
	8. Machino Polymer Ltd.	
	9. Mayfair Hotels & Resorts Ltd.	
	Details of Remuneration	Fees of attending meetings of the Board of Directors of the Company.
Shareholding in the Company (as on 31.03.2018)	Nil	
Relationship	Not related to any Director or Key Managerial Personnel	
Terms and conditions of appointment or re-appointment	Re-appointment as an Independent Director, for the second term of 5 (five) consecutive years, i.e. up to March 31, 2024. Not liable to retire by rotation.	

Name	Dr. Basudeb Sen	
Date of Birth	16-Jan-1948 (Age : 70 years)	
Date of Appointment	28-Dec-2005 (Appointed as Independent Director since 13-Sep-14)	
Qualifications	M.A. (Econ.), Ph.D., (ISMP-AMP) of Harvard Business School	
Expertise/Experience	Dr. Sen has over four decades of association with the banking and mutual fund industry. He is also associated with infrastructure and manufacturing sectors for a considerable period of time. He has held top positions in a number of commercial banks and institutions. His knowledge and expertise in Commercial Banking, Investment Management and Strategic Planning adds significant value to the Company. He has about 45 years of experience in diverse areas.	
No. of Board Meeting attended during the year	3 out of 4	
Chairman/Member of the Committee of the Company	-	
Other Directorships / Membership or Chairmanship of committees of other Boards	Name of the Company	Committee Membership, if any
	<input type="checkbox"/> Listed Companies	
	1. Dhunseri Petrochem Ltd.	<input type="radio"/> Audit Committee, Member <input type="radio"/> Stakeholders Relationship Committee, Member <input type="radio"/> Share Transfer Committee, Member <input type="radio"/> Corporate Social Responsibility Committee, Member <input type="radio"/> Nomination and Remuneration Committee, Chairman
Details of Remuneration	Fees of attending meetings of the Board of Directors of the Company.	
Shareholding in the Company (as on 31.03.2018)	4,000 Equity Shares of ₹ 10/- each	
Inter-se Relationship	Not related to any Director or Key Managerial Personnel.	
Terms and conditions of appointment or re-appointment	Re-appointment as an Independent Director, for the second term of 5 (five) consecutive years, i.e. up to March 31, 2024. Not liable to retire by rotation.	

Name	Mr. Prashant Sekhar Panda	
Date of Birth	25-Jan-1956 (Age: 62 years)	
Date of Appointment	24-Jan-2009 (Appointed as Independent Director since 13-Sep-14)	
Qualifications	B.Com (Hons), FCA	
Expertise/Experience	Mr. Panda is a Practicing Chartered Accountant with vast exposure in finance and audit. He is having expertise in Company Laws, Income Tax Laws, Service Tax Laws, Computer-based Accounting Practices. He has having about 35 years of experience.	
No. of Board Meeting attended during the year	3 out of 4	
Chairman/Member of the Committee of the Company	<input type="radio"/> Audit Committee, Chairman <input type="radio"/> Stakeholders Relationship Committee, Chairman <input type="radio"/> Nomination and Remuneration Committee, Chairman	
Other Directorships / Membership or Chairmanship of committees of other Boards	Name of the Company	Committee Membership, if any
	<input type="checkbox"/> Listed Companies	
	-	
	<input type="checkbox"/> Unlisted Companies	
	1. SFSL Commodity Trading Pvt. Ltd.	-
2. Somnath Commercials (P) Ltd.	-	
3. Devika Properties (P) Ltd.	-	
4. Odisha Tourism Development Corporation Ltd.		
Details of Remuneration	Fees of attending meetings of the Board of Directors of the Company and Committees thereof.	
Shareholding in the Company (as on 31.03.2018)	Nil	
Inter-se Relationship	Not related to any Director or Key Managerial Personnel.	
Terms and conditions of appointment or re-appointment	Re-appointment as an Independent Director, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to March 31, 2024.	

Note: For further particulars please refer to Corporate Governance Report and Directors' Report.

