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BSE ACKNOWLEDGEMENT

Acknowledgement Number	1421072
Date and Time of Submission	1/27/2020 12:30:29 PM
Scripcode and Company Name	511066 - SAKTHI FINANCE LTD.
Subject / Compliance Regulation	Shareholder Meeting / Postal Ballot-Notice of Postal Ballot
Submitted By	S.Venkatesh
Designation	Company Secretary & Compliance Officer

Disclaimer : - Contents of filings has not been verified at the time of submission.

SFL:BSE:224:2019-20

27th January 2020

BSE Limited
(Scrip Code : 511066)
Floor 25, P J Towers
Dalal Street, Fort
Mumbai - 400 001

On-line submission through Listing Centre

Dear Sir / Madam,

Preferential Issue - Submission of Postal Ballot Notice

We request you to refer our letter no. SFL:BSE:223:2019-20 dated 24th January 2020.

In continuation of our above letter and in accordance with the requirements under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("**Listing Regulations**"), we enclose a soft copy of the Postal Ballot Notice along with Postal Ballot Form and Business Reply Envelope for seeking approval of the members for issue and allotment of equity shares on preferential basis to the Promoter Group Companies and Other Corporate Body.

Accordingly, notice pursuant to Section 110 of the Companies Act 2013 along with Explanatory Statement is being sent to all Shareholders for passing of Special resolution. The Postal Ballot notice along with the required documents, is being sent to members whose names appear in the Register of Members / Beneficial Owners as on cut-off date i.e. Friday, 24th January 2020 for seeking approval of members for the resolution set out in the Postal Ballot Notice. The Company is also providing remote e-voting facility to all shareholders to enable them to cast their vote electronically. The Board of Directors / Allotment Committee of Directors have appointed Sri K Murali Mohan FCA, Chartered Accountant as the Scrutinizer for conducting the Postal Ballot Process in a fair and transparent manner.

The postal ballot e-voting commences on **Friday, 31st January 2020** and concludes on **Saturday, 29th February 2020**.

The Company has engaged the services of Central Depository Services (India) Limited ("**CDSL**") for the purpose of providing voting through postal ballot and remote e-voting to its members in respect to the said Special Resolution.

The Postal Ballot Notice and Postal Ballot Form are also available on the website of the Company, i.e. www.sakthifinance.com.

We request you to take the documents on record.

Yours faithfully
For Sakthi Finance Limited


S. Venkatesh
Company Secretary
FCS 7012



Encl: (3)



SAKTHI FINANCE LIMITED

(CIN : L65910TZ1955PLC000145)

Registered Office: 62, Dr Nanjappa Road, Coimbatore – 641 018

Phone: (0422) 2231471-74, 4236200

E-mail : investors@sakthifinance.com Website : www.sakthifinance.com

POSTAL BALLOT NOTICE

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

To the members of the Company,

Notice is hereby given that pursuant to Section 110 and all other applicable provisions, if any, of the Companies Act 2013 (**"the Act"**) read with Rule 22 of the Companies (Management and Administration) Rules 2014 (**"the Rules"**) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the resolution set out below is proposed to be passed by the members of Sakthi Finance Limited (**"the Company"**) through Postal Ballot including Electronic Voting (**"e-voting"**).

The Statement pursuant to Section 102(1) of the Act read with the Rules made thereunder, setting out all material facts concerning the resolution and the reasons thereof is annexed along with a Postal Ballot Form (**"Postal Ballot Form"**) for your consideration.

In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (**"Listing Regulations"**) and pursuant to Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules 2014 (as amended up to date), the Company is pleased to provide e-voting facility for voting electronically on the resolution proposed in this Postal Ballot Notice. Members opting for the e-voting facility are requested to read carefully the related notes to the Postal Ballot Notice and instructions given below.

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

The Board of Directors at their meeting held on Monday, 13th January 2020, has appointed Mr.K Murali Mohan FCA, Chartered Accountant (Membership No.14328), as Scrutinizer for conducting the Postal Ballot and the remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.

Members have the option to vote either by means of Postal Ballot or through remote e-voting. Members desiring to exercise their vote by means of Postal Ballot are requested to carefully read the instructions printed in this Postal Ballot Notice and Postal Ballot Form and return the Postal Ballot Form duly completed in all respects in the enclosed self-addressed Business Reply Envelope so as to reach the Scrutinizer not later than the close of working hours, i.e. **Saturday, 29th February 2020**. Postal Ballot Forms received after **Saturday, 29th February 2020** will be treated as 'invalid'.

The Scrutinizer will submit his report to the Chairman or Vice Chairman and Managing Director or Director (Finance and Operations) of the Company after the completion of scrutiny and the results of voting by means of Postal Ballot (including voting through electronic means) will be announced on or before **Monday, 2nd March 2020**, at the Company's Registered Office at 62, Dr. Nanjappa Road, Coimbatore - 641 018 and also by placing it on the Company's website: **www.sakthifinance.com** and in the notice board of the Company's Registered Office. The results will also be communicated to the Stock Exchange, the Depositories and the Registrar and Transfer Agents.

Members requiring any queries / clarifications on voting by Postal Ballot including e-voting may contact Mr K Jayakumar, Manager, SKDC Consultants Limited, Regd Office: "Kanapathy Towers", Third Floor, 1391/ A-1, Sathy Road, Ganapathy, Coimbatore - 641 006, Phone (0422) 4958995, 2539835-836, E-mail: info@skdc-consultants.com, Website : www.skdc-consultants.com.

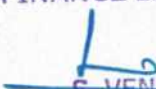
By Order of the Board
For Sakthi Finance Limited

S. Venkatesh

Company Secretary
FCS 7012

24th January 2020
Coimbatore

**CERTIFIED TRUE COPY
For SAKTHI FINANCE LIMITED**


S. VENKATESH
Company Secretary
M.No: FCS7012

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SPECIAL BUSINESS

Special Resolution

1. Issuance of Equity Shares to the Promoter Group Companies and Other Corporate Body of the Company on Preferential basis

To consider and if thought fit to pass, the following resolution as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Section 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act 2013 ("**the Act**") read with Companies (Prospectus and Allotment of Securities) Rules 2014 and the Companies (Share Capital and Debentures) Rules 2014 and such other rules and regulations made thereunder (including any amendments, statutory modification(s) or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company and in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 ("**SEBI ICDR Regulations**"), Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011 ("**SEBI Takeover Regulations**"), SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("**SEBI Listing Regulations**") as amended from time to time, any other rules, regulations, guidelines, notifications, circulars and clarifications issued by the Government of India, Ministry of Corporate Affairs ("**MCA**"), Reserve Bank of India ("**RBI**"), Securities and Exchange Board of India ("**SEBI**"), including as amended or re-enacted from time to time and subject to necessary approvals, permissions, sanctions and consents, if any and any other relevant governmental authorities including from BSE Limited ("**the BSE**") and subject to such other approvals, permissions, sanctions and consents as may be necessary under all other statutes, rules, regulations, guidelines, notifications, circulars and clarifications as may be applicable and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated while granting such approvals, permissions, sanctions and consents as the case may be required) by any other regulatory authorities which may be agreed to and/or accepted 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 subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the approval of the Members of the Company be and is hereby accorded to the Board to offer, issue and allot up to 1,47,06,000 equity Shares at such price, inclusive of premium, if any, as may be determined by a Registered Valuer, aggregating for an amount not exceeding ₹ 25 crores (Rupees Twenty Five Crores Only) to the following entities forming part of the Promoter Group Companies and Other Corporate Body ("**Proposed Allottees**") of the Company on preferential basis on such terms and conditions as set out in the Statement annexed to the Postal Ballot Notice and in accordance with the provisions of Chapter V of the SEBI ICDR Regulations and the Act and other applicable laws.

SI No	Name of the Proposed Allottees	No of Equity Shares to be allotted (not exceeding)	Category
1	Sakthifinance Financial Services Limited	43,10,000	Promoter Group Company
2	Sakthi Financial Services (Cochin) Private Limited	37,46,000	Promoter Group Company
3	ABT Finance Limited	32,00,000	Promoter Group Company
4	Sakthi Management Services (Coimbatore) Limited	34,50,000	Other Corporate Body
	Total	1,47,06,000	

RESOLVED FURTHER THAT in terms of the provisions of Chapter V of the SEBI ICDR Regulations, as the Company's equity shares are infrequently traded, the floor price of the equity shares to be issued will be based on the valuation report to be obtained from a Registered Valuer on the "Relevant Date", which will be 30 (thirty) days prior to the date on which the resolution is deemed to be passed, i.e. the last date specified for the receipt of the duly completed Postal Ballot Forms or remote e-voting.

RESOLVED FURTHER THAT in accordance with the provisions of SEBI ICDR Regulations, the Relevant Date for the purpose of the price to be issued and allotted shall be **Thursday, 30th January 2020**.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Equity Shares shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- the Equity Shares to be issued and allotted shall be fully paid-up and rank *pari passu* with the existing Equity Shares of the Company in all respects (including the right to receive dividend and voting powers) from the date of allotment thereof and shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company.



- b. the Equity Shares to be offered, issued and allotted shall be subject to lock-in as provided under the provisions of SEBI ICDR Regulations and the Equity Shares so offered, issued and allotted will be listed subject to the receipt of necessary regulatory permissions and approvals.
- c. the Equity Shares shall be allotted in dematerialized form within a period of 15 (fifteen) days from the date of passing of the Special Resolution, provided that where the allotment of Equity Shares is subject to receipt of any approval from any Government or regulatory authority, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of Equity Shares and listing thereof with the Stock Exchange as appropriate and utilisation of proceeds of the issue, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive to give effect to this Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute discretion, to any Committee of the Board or any one or more Director(s)/Company Secretary/any Officer(s) of the Company to give effect to the above resolution.

Notes:

1. A Statement pursuant to Section 102(1) of the Companies Act 2013 ("**the Act**") setting out all material facts relating to the resolution mentioned in this Postal Ballot Notice is annexed.
2. Relevant documents referred to in this Postal Ballot Notice and the Statement are available for inspection by the members at the Company's registered office during business hours on all working days except Saturdays and Sundays from the date of despatch of the Postal Ballot Notice till **Saturday, 29th February 2020**.
3. The Postal Ballot Notice along with the Postal Ballot Form is being sent in electronic mode to those members who have registered their e-mail addresses with the Company / Registrars and Transfer Agents of the Company (in case of physical shareholding) / with their Depository Participants (in case of electronic shareholding). Physical copies of the Postal Ballot Notice along with Postal Ballot Form are being sent to members, whose e-mail addresses are not registered, by permitted mode along with a self-addressed Business Reply envelope.
4. Voting rights shall be reckoned on the paid-up value of equity shares registered in the name of member / beneficial owner (in case of electronic shareholding) as on **Friday, 24th January 2020**.
5. Members who have received the Postal Ballot Notice by e-mail and who wish to vote through Postal Ballot may download the Postal Ballot Form attached to the e-mail or may download the Postal Ballot Form from www.evotingindia.com or from the "**Investors**" section on the Company's website: www.sakthifinance.com, where the Postal Ballot Notice is displayed and send the duly completed and signed Postal Ballot Form so as to reach the Scrutinizer on or before **Saturday, 29th February 2020**.
6. Pursuant to the provisions of Section 108 and all other applicable provisions of the Act read with the Companies (Management and Administration) Rules 2014 as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("**Listing Regulations**"), the Company is pleased to provide e-voting facility to all its members, to enable them to cast their votes electronically and has engaged the services of Central Depositories Services (India) Limited ("**CDSL**") as the agency to provide e-voting facility. Instructions for the process to be followed for e-voting are annexed to this Postal Ballot Notice.
7. Members can opt for only one mode of voting, i.e. either by Postal Ballot or e voting. In case members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Postal Ballot will be treated as "**INVALID**".
8. The e-voting period commences on **Friday, 31st January 2020 at 9.00 a.m (IST)** and concludes on **Saturday, 29th February 2020 (IST) at 5.00 p.m**. During this period, members of the Company, holding shares either in physical or electronic form, as on the cut-off date, i.e. **Friday, 24th January 2020**, may cast their vote electronically. The e-voting module shall be disabled by CDSL thereafter.
9. **Information and instructions relating to voting through Postal Ballot Form**
 - a. Members are requested to carefully read the instructions printed in the Postal Ballot Form and return the Postal Ballot Form duly completed with the Assent (**FOR**) or Dissent (**AGAINST**), in the enclosed self-addressed Business Reply envelope, so as to reach the Scrutinizer not later than the close of working hours, i.e., **5.00 p.m. (IST) on Saturday, 29th February 2020** to be eligible for being considered, failing which it will be strictly treated as if no reply has been received from the member.
 - b. Members are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted.
 - c. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) opting for Postal Ballot are also required to send certified true copy of the Board Resolution / Power of Attorney / Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer along with the Postal Ballot Form.



10. Voting through Electronic means

The business as set out in the Postal Ballot Notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Pursuant to the provisions of Section 108 of the Companies Act 2013, read with the Companies (Management and Administration) Rules 2014, the Company is pleased to offer remote e-voting facility as an alternative mode, to its members to cast their votes electronically on the resolution set out in the Notice of Postal Ballot. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide the e-voting facility.

The Members whose names appear in the Register of Members / List of Beneficial Owners as on **Friday, 24th January 2020 (cut-off date)**, are entitled to vote on the resolutions set out in the Notice.

The remote e-voting period commences on **Friday, 31st January 2020 at 9.00 a.m** and concludes on **Saturday, 29th February 2020 at 5.00 p.m.** During this period, Members of the Company holding shares either in physical form or in electronic form, as on the cut-off date, may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Members will not be able to cast their votes electronically beyond the date and time mentioned above.

The instructions for shareholders voting electronically are as under:

- a. The shareholders should log on to the e-voting website **www.evotingindia.com**
- b. Click on Shareholders
- c. Now Enter your User ID
 1. For CDSL: 16 digits beneficiary ID
 2. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 3. Members holding shares in Physical Form should enter Folio Number registered with the Company
- d. Next enter the Image Verification as displayed and Click on Login.
- e. If you are holding shares in electronic 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.
- f. 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 last 8 digits of the sequence number in the PAN field.● 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. E.g. If your name is Ramesh Kumar with Sequence Number R1, then enter RA00000001 in the PAN field
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your electronic Account or in the Company records in order to log-in If both the details are not recorded with the depository or company, please enter the member's ID / Folio Number in the Dividend Bank details field as mentioned in instruction (c)

After entering these details appropriately, click on "SUBMIT" tab

- g. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in electronic form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their log-in password in the new password field. Kindly note that this password is also to be used by the electronic holders for voting for resolutions of any other company on which they are eligible to vote, provided that the 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.
- h. For Members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.
- i. Click on the EVSN for 'Sakthi Finance Limited' on which you choose to vote.
- j. 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.
- k. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- l. 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.
- m. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- n. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- o. If an electronic account holder has forgotten the changed 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.
- p. Shareholders can also cast their vote using CDSL's mobile app 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.
- q. **Note for Non - Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians 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 e-mailed to **helpdesk.evoting@cdslindia.com**.
 - After receiving the log-in details, a Compliance User should be created using the admin log-in 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 log-in should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts, they would be able to cast their votes.
 - 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 it.
- r. In case you have 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 e-mail to **helpdesk.evoting@cdslindia.com**.
11. Members who have not registered their e-mail addresses are requested to register it with the Company's Registrars and Transfer Agents / Depository Participant(s) for sending future communication(s) in electronic form.
 12. The Scrutinizer shall within a period not exceeding two (2) days after the conclusion of the remote e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Report of the votes cast in favour or against, if any, forthwith.
 13. Member cannot exercise his / her vote by proxy on Postal Ballot.
 14. The Scrutinizer's decision on the validity or otherwise of Postal Ballot / remote E-Voting will be final.
 15. The Scrutinizer will submit his report to Chairman or Vice Chairman and Managing Director or Director (Finance and Operations) of the Company, after completion of the scrutiny of postal ballot forms and votes cast through remote e-voting. The results of the voting will be announced on or before **Monday, 2nd March 2020 at 5.00 p.m** at the Company's Registered Office at 62, Dr. Nanjappa Road, Coimbatore - 641 018 and will also be displayed on the website of the Company at **www.sakthifinance.com** and in the notice board of the Company's Registered Office. It will also be communicated to the Stock Exchange, the Depositories and the Registrar and Transfer Agents.
 16. The resolution, if approved, shall be deemed to have been passed on the last date of voting i.e **Saturday, 29th February 2020**.

By Order of the Board
For Sakthi Finance Limited

S Venkatesh
Company Secretary
FCS 7012

24th January 2020
Coimbatore

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

1. The Company has been examining various options for raising funds for the Company's business to increase the capital base, net worth and the Capital Adequacy Ratio and for meeting working capital requirements.
2. The Board of Directors of the Company at their meeting held on Monday, 13th January 2020 approved raising funds through issuance of up to 1,47,06,000 (One Crore Forty Seven Lakhs Six Thousand Only) Equity Shares to the proposed allottees as set out below, being members of the Promoter Group Companies and Other Corporate Body of the Company ("**proposed allottees**") on preferential basis subject to the approval of the members of the Company. The proceeds from the issue will help strengthening the capital base and net worth.
3. In terms of Section 62(1)(c) of the Companies Act 2013 (as amended) read with Rule 13 of the Companies (Share Capital and Debenture) Rules 2014 and Regulation 160 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as may be applicable, a listed issuer is permitted to make a preferential issue of specified securities, if a Special Resolution has been passed by its members.
4. The Board of Directors of the Company at their meeting held on Monday, 13th January 2020 had approved issue of Equity Shares and accordingly proposes to issue and allot up to 1,47,06,000 (One Crore Forty Seven Lakhs Six Thousand Only) Equity Shares at such price, inclusive of premium, if any, as may be determined by a Registered Valuer and approved by Allotment Committee as on the relevant date, which will be 30 (thirty) days prior to the date on which the resolution is deemed to passed i.e. the last date specified for the receipt of the duly completed postal ballot forms or remote e-voting **Saturday, 29th February 2020**, aggregating for an amount not exceeding of ₹ 25 crore to the following entities on preferential basis.

SI No	Name of the Proposed Allottees	Permanent Account Number (PAN)	No of Equity Shares to be allotted (not exceeding)	Category
1	Sakthifinance Financial Services Limited	AACCS4535M	43,10,000	Promoter Group Company
2	Sakthi Financial Services (Cochin) Private Limited	AAJCS6439F	37,46,000	Promoter Group Company
3	ABT Finance Limited	AAECA4777F	32,00,000	Promoter Group Company
4	Sakthi Management Services (Coimbatore) Limited	AAGCS7065J	34,50,000	Other Corporate Body
	Total		1,47,06,000	



5. Accordingly, the approval of the members of the Company is being sought, by way of a Special Resolution, to issue, offer and allot Equity Shares by way of preferential issue to the proposed allottees. The Equity Shares issued pursuant to the above resolution shall be subject to lock-in requirements in accordance with Regulation 167 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.
6. The Equity Shares shall rank *pari passu inter se* with the existing equity shares of the Company in all respects, including in relation to dividend.
7. **Disclosures as required under Rule 13 of the Companies (Share Capital and Debentures) Rules 2014, Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014 and Regulation 163 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 with regard to Preferential issue are given below:**

a	Particulars of the offer including date of passing of Board resolution and the class or classes of persons to whom the allotment is proposed to be made	The Board of Directors at their Meeting held on Monday, 13th January 2020 approved the issuance of the following Equity Shares on preferential basis to: Promoter Group Companies 1. Sakthifinance Financial Services Limited 2. Sakthi Financial Services (Cochin) Private Limited 3. ABT Finance Limited Other Corporate Body 4. Sakthi Management Services (Coimbatore) Limited, up to 1,47,06,000 Equity Shares at such price, inclusive of premium, if any, as may be determined by a registered valuer on the relevant date, which will be 30 (thirty) days prior to the date on which the resolution is deemed to be passed i.e. the last date specified for the receipt of the duly completed postal ballot forms or remote e-voting i.e Saturday, 29th February 2020 , aggregating for an amount not exceeding of ₹ 25 crore.
b	Kinds of securities offered and the price or price band at which security is being offered	Up to 1,47,06,000 Equity Shares of face value of ₹ 10 each at a price band of ₹ 15 to ₹ 17 per equity share, inclusive of premium, if any, as may be determined by a registered valuer. The actual price will be determined by the registered valuer on the relevant date, which will be 30 (thirty) days prior to the date on which the resolution is deemed to be passed i.e. the last date specified for the receipt of the duly completed postal ballot forms or remote e-voting i.e Saturday, 29th February 2020 .
c	Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	The Company's Securities are listed on BSE Limited. Given that the securities are listed, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 apply for determining the floor price at which the securities are offered. The floor price is determined in terms of Regulations 165 of the SEBI ICDR Regulations. In terms of Regulation 165 of the SEBI ICDR Regulations, where the shares of the issuer are infrequently traded, the price determined by the issuer shall take into account the valuation parameters including book value, comparable trading multiples and such other parameters as are customary for the valuation of shares of such companies. Accordingly, the Company has proposed to take a valuation report from a registered valuer on the relevant date, which will be 30 (thirty) days prior to the date on which the resolution is deemed to be passed i.e. the last date specified for the receipt of the duly completed postal ballot forms or remote e-voting i.e Saturday, 29th February 2020 .
d	Name and address of valuer who performed valuation	Ms. Rashmi Shah FCA IBBI Regn No : IBBI/RV/06/2018/10240 M/s R V Shah & Associates FRN : 133958W Chartered Accountants Mumbai - 400 064
e	Amount which the Company intends to raise by way of such securities	Up to ₹ 25 Crores.
f	Material terms of raising such securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects, principal terms of assets charged as securities	As provided in the text of the resolution and the statement pursuant to Section 102 of the Companies Act 2013
g	The objects of the preferential issue	In order to increase the capital base, net worth and the Capital Adequacy Ratio and to meet the working capital requirements
h	Type and total number of securities to be issued	It is proposed to allot up to 1,47,06,000 equity shares



i	Basis on which the floor price has been arrived at	The equity shares of Company are listed on BSE Limited and are infrequently traded in accordance with SEBI (ICDR) Regulations. Accordingly, for the purpose of determination of the floor price for the proposed issue of equity shares, the Company will take a Valuation Report from a Registered Valuer and which will be available for inspection at the registered office of the Company till the completion of Postal Ballot Process. The Valuation report will also be made available on the website of the Company, www.sakthifinance.com
j	Relevant Date	The "Relevant Date" for the purpose of determining the issue of the equity shares shall be 30 (thirty) days prior to the date on which the resolution is deemed to be passed, i.e. the last date specified for the receipt of the duly completed Postal Ballot Forms or remote e-voting, i.e. Saturday, 29th February 2020.
k	Intent of the promoters, directors or key management personnel of the Company to subscribe to the offer	The intent is to increase the Share Capital, Net worth and Capital Adequacy Ratio with consequential eligibility to obtain improved credit rating for credit instruments. Since the shares are infrequently traded, the promoter group companies have decided to subscribe the equity shares directly.
l	Equity Shareholding Pattern of the Company before and after the Preferential Issue	Refer Annexure to the Notice
m	Proposed time frame within which the preferential issue shall be completed	As required under the SEBI ICDR Regulations, Equity Shares shall be issued and allotted by the Company within a period of fifteen (15) days from the date of passing of this Special Resolution provided that where the issue and allotment of the said Equity Shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority or the Central Government, the issue and allotment shall be completed within a period of fifteen (15) days from the date receipt of last of such approvals
n	Identity of the natural persons who are ultimate beneficial owners of the shares proposed to be allotted and / or who ultimately control the proposed allottees	The Equity Shares are proposed to be allotted to persons belonging to the Promoter Group Companies and Other identified Corporate Body of the Company. The details of identification of the natural persons who are ultimate beneficial owner to the proposed allottees are given in the Annexure . No change in control or management of the Company is contemplated consequent to the proposed preferential issue of Equity Shares being allotted. However, voting rights will change in accordance with the shareholding pattern. The pre and post issue holding of the proposed allottees are given in Annexure .
o	Lock-in	Equity Shares to be allotted to the proposed allottees including the pre-preferential allotment shareholding of the proposed allottees will be subject to applicable lock-in and transfer restrictions stipulated under Regulation 167 of the SEBI ICDR Regulations
p	Auditor's Certificate	The certificate issued by M/s. P K Nagarajan & Co., Chartered Accountants, Statutory Auditors of the Company certifying that the preferential issue is being made in accordance with the requirements contained in the SEBI ICDR Regulations, will be made available at the Registered Office of the Company and will be kept open for inspection at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on all working days between Monday and Friday of every week up to the date of conclusion of the Postal Ballot / remote e-voting.
q	Undertakings	The Company hereby undertakes that: 1. It would re-compute the price of the securities specified above in terms of the provisions of SEBI ICDR Regulations, where it is so required; 2. If the amount payable, if any, on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR Regulations, the above shares shall continue to be locked-in till the time such amount is paid by the allottees. 3. During the year, the Company has not made any issue of securities on preferential basis In accordance with the SEBI ICDR Regulations: i. all the Equity Shares held by the proposed allottees in the Company are in dematerialized form only. ii. Entities belonging to the promoters group have not sold / transferred any Equity Shares of the Company during the 6 (Six) months preceding the Relevant Date. iii. No entity belonging to the promoter group has previously subscribed to any warrants of the Company but failed to exercise them. iv. Neither the Company nor any of its promoters and directors is a wilful defaulter or a fugitive economic offender.

The issue of Equity Shares shall be made in accordance with the provisions of the Memorandum and Articles of Association of the Company and shall be made in dematerialized form only.

The Board of Directors of the Company recommends passing of the Special Resolution as set out in this Postal Ballot Notice for the approval of members.



Except Dr M Manickam, Chairman, Sri M Balasubramaniam, Vice Chairman and Managing Director, Sri M Srinivaasan, Director and Dr S Veluswamy, Director (Finance and Operations), who are Directors of the Promoter Group Companies and their relatives of other Directors of Promoter Group Companies, who hold shares in our Company, none of the other directors or any Key Managerial Personnel or any relative of any of the other directors / Key Managerial Personnel of the Company is, in any way concerned or interested, financially or otherwise, in passing of this resolution.

By Order of the Board
For Sakthi Finance Limited

S Venkatesh
Company Secretary
FCS 7012

24th January 2020
Coimbatore

Annexure

Equity Shareholding pattern of the Company before and after the Preferential Issue

SI No	Category	Pre-issue (As on 31.12.2019)		Post-issue		Ultimate Beneficial Owners of the Proposed Allottees*
		Shares	%	Shares	%	
A.	Promoter's Holding					
1	Indian					
a	Individuals	5,43,668	1.09	5,43,668	0.84	
b	Body Corporates (Promoter Group Companies)					
i	Proposed Allottees					
a	Sakthifinance Financial Services Limited	81,10,000	16.22	1,24,20,000	19.20	M Balasubramaniam and T Rajkumar are the Ultimate Beneficial Owners
b	Sakthi Financial Services (Cochin) Private Limited	34,11,246	6.82	71,57,128**	11.06	Not Applicable
c	ABT Finance Limited	1,31,162	0.26	33,31,162	5.15	M Balasubramaniam and T Rajkumar are the Ultimate Beneficial Owners
ii	Other Promoter Group Companies	1,95,99,026	39.20	1,95,99,026	30.29	
iii	Estate of Dr N Mahalingam and Smt M Mariammal	3,12,023	0.62	3,12,023	0.48	
	Sub-total	3,21,07,125	64.21	4,33,63,007	67.02	
2	Foreign	-	-	-	-	
	Sub-total - A	3,21,07,125	64.21	4,33,63,007	67.02	
B	Non-promoter's Holding					
i	Institutional Investors	-	-	-	-	
ii	Non-Institutional Investors	-	-	-	-	
iii	Other Corporate Body (Proposed Allottee)					
a	Sakthi Management Services (Coimbatore) Limited	11,35,434	2.28	45,85,434	7.09	Not Applicable
b	Other Corporate Bodies	66,93,535	13.39	66,93,535	10.34	
iv	Directors and relatives	300	0.00	300	0.00	
v	Indian Public	55,66,326	11.13	55,66,326	8.60	
vi	Others (including NRIs)	44,97,280	8.99	44,97,280	6.95	
	Sub-total - B	1,78,92,875	35.79	2,13,42,875	32.98	
	TOTAL (A+B)	5,00,00,000	100.00	6,47,05,882	100.00	

* as per the Form BEN 2, if any, filed by the respective companies

** post issue holding is calculated at ₹ 17 per share and the number of shares is restricted to the aggregate of ₹ 25 crores

CERTIFIED TRUE COPY
For SAKTHI FINANCE LIMITED


S VENKATESH
Company Secretary
M. No: FCS7012



Sakthi Finance

Since 1955

SAKTHI FINANCE LIMITED

(CIN : L65910TZ1955PLC000145)

Registered Office: 62, Dr Nanjappa Road, Coimbatore – 641 018

Phone: (0422) 2231471-74, 4236200

E-mail: investors@sakthifinance.com Website: www.sakthifinance.com

POSTAL BALLOT FORM

Serial No:

(Please read the instructions printed overleaf carefully before completing this Form)

1. Registered Folio No / DP ID No :
& Client ID No* /
*(Applicable to investors holding shares in dematerialized form)
2. Name and Registered Address of the sole/first named Member :

3. Name(s) of the Joint-Holder(s)/ Member(s), if any :

4. Number of shares held :

I/We hereby exercise my/our vote in respect of the Special Resolution to be passed through Postal Ballot for the business stated in the Notice of the Company dated **Friday, 24th January 2020** by sending my/our assent or dissent to the said Resolution by placing a tick (✓) mark at the box:

Item No	Description	Type of Resolution	No of Equity Shares held	I / We assent to the Resolution (FOR)	I / We dissent to the Resolution (AGAINST)
1	Issuance of Equity Shares to Promoter Group Companies and Other Corporate Body of the Company on preferential basis	Special			

Place :

Date :

Signature of the Shareholder

E-VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	USER ID	Default PAN/Sequence Number
200124001		

Notes : (i) If the voting rights are exercised electronically, there is no need to use this Form.

(ii) Last date for the receipt of Postal Ballot Form by Scrutinizer is **Saturday, 29th February 2020**.

CERTIFIED TRUE COPY
For SAKTHI FINANCE LIMITED


S. VENKATESH
Company Secretary
M. No: FCS7012

(PTO)

INSTRUCTIONS

1. During the e-voting period, members of the Company holding shares as on the cut-off date may cast their votes electronically. The cut-off date for the purpose of e-voting is **Friday, 24th January 2020**. Please read the instructions given in the Postal Ballot Notice carefully before voting electronically.
2. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
3. In case a member casts his vote through both the processes, i.e. e-Voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
4. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic form is verified with the specimen signatures furnished by NSDL/CDSL and that of the members holding shares in physical form is verified as per the records of the Registrar and Share Transfer Agent of the Company (i.e. SKDC Consultants Limited). Members are requested to keep it updated.
5. There will be only one Postal Ballot Form for every Folio/DP ID/Client ID irrespective of the number of joint members.
6. In case of joint holders, the Postal Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholder. Postal Ballot Form signed by a joint holder shall be treated as valid if signed as per records available with the Company and the Company shall not entertain any objection on such Postal Ballot Form signed by the other joint holders.
7. Where the Postal Ballot Form has been signed by an authorised representative of the Body Corporate/Trust/Society etc, a certified copy of the relevant authorization / Board resolution to vote should accompany the Postal Ballot Form.

CERTIFIED TRUE COPY
For SAKTHI FINANCE LIMITED


S. VENKATESH
Company Secretary
M. No: FCS7012

POSTAGE
WILL BE
PAID BY THE
ADDRESSEE

BUSINESS REPLY ENVELOPE

**PERMIT NO : CB-118
GANAPATHY P.O.
COIMBATORE - 641 006**



To

Shri. K. MURALI MOHAN FCA.,
Chartered Accountant
Scrutinizer
Unit:Sakthi Finance Limited
"Kanapathy Towers"
3rd Floor, 1391/A-1, Sathy Road
Coimbatore - 641 006

CERTIFIED TRUE COPY
For SAKTHI FINANCE LIMITED


S. VENKATESH
Company Secretary
M. No: FCS7012