



IKF Finance Limited

40-1-144, Corporate Centre, M.G.Road,
VIJAYAWADA – 520 010.
Phone:91-866-2474644, 2474633
Email: ikffinance@gmail.com

Notice

Notice is hereby given that the Extra Ordinary General Meeting of Members of **IKF Finance Limited** will be held on Tuesday, 9th day of January, 2018 at 10.30 A.M at the registered office of the company situated, # 40-1-144, Corporate Centre, M.G. Road, Vijayawada – 520 010, to transact the following special business:

ITEM NO.1: ISSUE OF PARTLY PAID EQUITY SHARES ON A PREFERENTIAL ALLOTMENT/PRIVATE PLACEMENT BASIS TO THE PROMOTERS

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

“**RESOLVED THAT** pursuant to the provisions of Sections 62 (1) (c) and 42 of the Companies Act, 2013 (including any statutory modification thereto or reenactment thereof for the time being in force) respectively read with the Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions, if any, and in accordance with the provisions of Articles of Association of the Company and subject to the approval, consent, permission and/or sanction, as may be required from the Financial Institutions, and any other appropriate authority, Institution or Body and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by any one or more or all of them in granting such approval, consent, permission and/or sanction, the consent of the members be and is hereby accorded to the Board of Directors of the Company (herein after referred to as the "Board" which term shall be deemed to include any Committee duly constituted by the Board of Directors or any Committee which the Board of Directors may hereafter constitute, to exercise one or more of its powers including the powers conferred by this resolution) to create, offer, issue and allot 51,79,688 (Fifty One Lakhs Seventy Nine Thousand Six Hundred Eighty Eight) Equity shares of Rs.10/- each at a premium of Rs.62.59/- (Rupees Sixty Two point Five Nine only) each including issuing such shares as partly paid up shares initially to the following promoters of the Company in the following manner:

S No	Name of the Promoter	No. of Shares	Consideration Payable upfront in Rs	Balance Payable Later in Rs
1	V.G.K.Prasad	35,05,821	6,87,11,637.53	18,57,75,908.86
2	V.Indira Devi	3,21,240	62,96,079.13	1,70,22,732.47
3	V.Raghu Ram	3,50,970	68,78,766.32	1,85,98,145.98
4	K Vasumathi Devi	5,15,980	1,01,12,846.81	2,73,42,141.39
5	V Vasantha Laskhmi	4,85,677	95,18,929.23	2,57,36,364.20
Total		51,79,688	10,15,18,259.02	27,44,75,292.90

RESOLVED FURTHER THAT the shares to be issued and allotted shall rank pari-passu with the existing shares of the Company in all respects including dividend, voting, winding up rights and all other rights and privileges as may be assigned from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, things (including making necessary entries in the relevant statutory registers) and to give directions as may be necessary or desired and to accept any modifications in the above proposal as may be required by the authorities involved and also settle any questions or difficulties that may arise in respect of offer, issue and allotment of securities.



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RESOLVED FURTHER THAT the Board be and is hereby authorized to file necessary forms, documents and papers with the Registrar and all other authorities concerned and to do all such acts, deeds and things as may be required to execute all such writings and instruments in connection with the issue and allotment of securities as the Board may in its absolute discretion deem necessary or desirable for giving effect to this resolution.”

ITEM NO: 2. ISSUE AND ALLOTMENT OF COMPULSORILY CONVERTIBLE PREFERENCE SHARES AND EQUITY SHARES ARISING ON CONVERSION OF SUCH COMPULSORILY CONVERTIBLE PREFERENCE SHARES

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

“RESOLVED THAT pursuant to Sections 42, 55, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the applicable rules of the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory amendments thereto or re-enactments thereof for the time being in force), and all other applicable provisions, if any, and in accordance with the provisions of Articles of Association of the Company, and subject to the approval, consent, permission and/or sanction, as may be required from the Financial Institutions, and any other appropriate authority, Institution or Body and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by any one or more or all of them in granting such approval, consent, permission and/or sanction, the consent of the members be and is here by accorded to the Board of Directors of the Company (herein after referred to as the "Board" which term shall be deemed to include any Committee duly constituted by the Board of Directors or any Committee which the Board of Directors may hereafter constitute, to exercise one or more of its powers including the powers conferred by this resolution) to create, offer, issue and allot 19,53,125 (Nineteen Lac Fifty Three Thousand and One Hundred and Twenty Five only) Compulsory Convertible Preference Shares (CCPs) having face value of Rs. 100/- (Rupees One Hundred only) each and premium of Rs. 28/- (Rupees Twenty Eight only) each, aggregating to Rs. 25,00,00,000/- (Rupees Twenty Five Crores only), by way of preferential allotment on private placement basis to the persons specified herein below (hereinafter collectively referred to as the “Investors” and individually as an “Investor”) and to issue such number of equity shares as may be required to be issued upon conversion of such CCPS or as may be necessary in accordance with the terms of the offering to the following Investors:

S No	Name of the Investor	No of CCP	Consideration in Rs
1	Indian Business Excellence Fund- II	7,30,847	9,35,48,416
2	Indian Business Excellence Fund- IIA	12,22,278	15,64,51,584
Total		19,53,125	25,00,00,000

RESOLVED FURTHER THAT the each CCPS shall convert into one number of equity shares of the Company within a period of 12 months and the equity shares to be issued on conversion of the CCPS shall rank pari-passu in all respects with the existing equity shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, things (including making necessary entries in the relevant statutory registers) and to give directions as may be necessary or desired and to accept any modifications in the above proposal as may be required by the authorities involved and also settle any questions or difficulties that may arise in respect of offer, issue and allotment of securities.



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RESOLVED FURTHER THAT the Board be and is hereby authorized to file necessary forms, documents and papers with the Registrar of Companies, Reserve Bank of India and all other authorities concerned and to do all such acts, deeds and things as may be required to execute all such writings and instruments in connection with the issue and allotment of securities as the Board may in its absolute discretion deemed necessary or desirable for giving effect to this resolution.”

ITEM NO: 3 INCREASE IN AUTHORISED SHARE CAPITAL

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

“RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions, if any of the Companies Act, 2013, and the Rules made there under (including any statutory amendments thereto or re-enactments thereof, for the time being in force) (the “Act”) and subject to the Articles of Association of the Company, the consent of the members be and is hereby accorded to increase the Existing Authorized Share Capital of the Company from Rs.50,00,00,000/- (Rupees Fifty Crore only) divided into 5,00,00,000 (Five Crore only) Equity Shares of Rs.10/- (Rupees Ten only) each to Rs. 85,00,00,000/- (Rupees Eighty Five Crores Only) divided into 6,00,00,000/- (Six Crore only) Equity Shares of Rs.10/- (Rupees Ten only) each and 25,00,000 (Twenty Five Lac only) preference shares of Rs 100/- (Rupees One Hundred only) by creation of additional 1,00,00,000 (One Crore) equity shares of Rs 10/- each and 25,00,000 (Twenty Five Lac only) preference shares of Rs 100/- (Rupees One Hundred only) each”.

“RESOLVED FURTHER THAT new equity shares shall rank pari-passu in all respects with the existing equity shares of the Company”.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to file necessary forms with the Registrar of Companies and other Statutory authorities and to do all other Acts, Deeds, things and matters as may be deemed expedient to give effect to the aforesaid resolution.”

ITEM NO 4. TO ALTER MEMORANDUM OF ASSOCIATION OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any of the Companies Act, 2013 and the rules made there under, Clause V, i.e., capital clause of the Memorandum of Association of the company be and is hereby amended with substitution of the following clause wherever required-

Memorandum of Association

The Authorized Share Capital of the company is Rs.85,00,00,000/- (Rupees EightyFive Crores Only) divided into 6,00,00,000 (Six Crore only) Equity shares of Rs.10/- (Rupees Ten only) each, and 25,00,000 (Twenty Five Lac only) Preference shares of Rs 100/- (Rupees One Hundred only) with rights, privileges and conditions attaching thereto as are provided by the regulation of the Company for the time being. The company has power from time to time to increase or reduce its capital and to divide the shares in the original or increased capital for the time into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate



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any such rights, privileges or conditions in such manner as many be permitted by the Companies Act, 2013 or provided by the regulations of the company for the time being.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby Authorized to file necessary forms with the Registrar of Companies and other Statutory authorities and to do all other acts, deeds, things and matters as may be deemed expedient to give effect to the aforesaid resolution.”

ITEM NO 5. TO ALTER ARTICLES OF ASSOCIATION OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions and the rules made there under, if any of the Companies Act, 2013, Article 4 of the Articles of Association of the company be and is hereby amended with substitution of the following Article wherever required.

Articles of Association

4. The Authorized Share Capital of the company is Rs.85,00,00,000/- (Rupees Eighty Five Crores Only) divided into 6,00,00,000 (Six Crore only) Equity shares of Rs.10/- (Rupees Ten only) each, and 25,00,000 (Twenty Five Lac only) Preference shares of Rs 100/- (Rupees One Hundred only).The Company shall have power to increase, consolidate, sub-divide, reduce or otherwise alter its share capital subject to the provisions of the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to file necessary forms with the Registrar of Companies and other Statutory authorities and to do all other acts, deeds, things and matters as may be deemed expedient to give effect to the aforesaid resolution.”

*by order of the Board of Directors
for IKF Finance Limited*

*(Ch Sreenivasa Rao)
Company Secretary*

*Place: Vijayawada
Date: 13.12.2017*



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NOTES

1. The statements pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business set out in the notice and Secretarial Standard on General Meetings (SS-2), wherever applicable, are annexed hereto
2. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy to attend and vote on a poll in the meeting instead of such member. The proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty (50) members and holding in aggregate not more than ten (10) percent of the total share capital of the Company carrying voting rights. A member holding more than ten (10) 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 proxy for any other member or shareholder.
3. A member of a company registered under Section 8 of the Companies Act, 2013 shall not be entitled to appoint any other person as its proxy unless such other person is also a member of such company.
4. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for this Extra Ordinary General Meeting is enclosed.
5. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
6. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged with the Company at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company by such intending person.
7. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members of the Company will remain closed from Tuesday, January 2, 2018 to Monday, January 8, 2018 (both days inclusive). Members are requested to quote their Registered Folio Numbers in all their Correspondence with the Company and notify change in their registered address, if any. Members/proxies should bring the Attendance slips duly signed to the meeting and hand it over at the entrance. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting. Xerox copy of attendance slips will not be accepted at the entrance of the Meeting Hall. Members are requested to bring their copy of the Notice to the Meeting.
8. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.



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9. The notice of the Extra Ordinary General Meeting is being sent through electronic mode to the members whose email addresses are registered with the Company / Depository Participant(s), unless any member has requested for a physical copy of the report. For members who have not registered their email addresses, physical copies of the notice of the Extra Ordinary General Meeting are being sent by the permitted mode.
10. With a view to using natural resources responsibly, we request the shareholders to update respective email addresses with your Depository Participants, if not already done, to enable the Company to send communications electronically.
11. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar.

SEBI has also mandated, that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company
13. In compliance with Pursuant to Section 108 of the Companies Act, 2013, read with Rules 20 of the Companies (Management and Administration) Rules, 2014(as amended from time to time), the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services (India) Limited. The facility for voting, through ballot paper, will also be made available at the Extra Ordinary General Meeting.
14. The members who have not already cast their votes by remote e-voting shall be able to exercise their right at the Extra Ordinary General Meeting through ballot paper. Members who have casted their votes by remote e-voting prior to the Extra Ordinary General Meeting may attend the Extra Ordinary General Meeting but shall not be entitled to cast their votes again.

15. **Voting through electronic means:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amendment from time to time), the Company is pleased to provide members the facility to exercise their right to vote at the Extra Ordinary General Meeting (EGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Ltd. (CDSL).



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A member may exercise his/her votes at any General Meeting by electronic means and Company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2015.

During the e-voting period, members of the Company holding shares either in physical form or dematerialized form, as on the cut-off date i.e., Tuesday, January 2, 2018, may cast their votes electronically.

Members who do not have access to e-voting facility may send duly completed Ballot Form so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. S.Srikanth, Partner of M/s. B S S & Associates (Membership No. 22119), Company Secretary in Practice, Company Secretary in Practice, 6-3-626, Parameswara Appts, 5th Floor, 5A, AnandNagar, Khairtabad, Hyderabad-500004 not later than Monday, January 8, 2018 (5.00 p.m. IST).

Members have the option to request for physical copy of the Ballot Form by sending an e-mail to sreenivas@ikffinance.com by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach Mr. S.Srikanth, Partner of M/s. B S S & Associates, (Membership No. 22119), Company Secretary in Practice, Company Secretary in Practice, 6-3-626, Parameswara Appts, 5th Floor, 5A, AnandNagar, Khairtabad, Hyderabad-500004 not later than Monday, January 8, 2018 (5.00 p.m. IST).

Ballot Form received after this date will be treated as invalid. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

The instructions for shareholders voting electronically are as under:

- i. The voting period begins on Saturday, January 6, 2018 at 9.00 a.m. and ends on Monday, January 8, 2018 at 5.00 p.m. 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) i.e. Tuesday, January 2, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on the e-voting website www.evotingindia.com during the voting period
- iii. Click on “Shareholders” tab.
- iv. Now, select the “Company Name: IKF Finance Limited” from the drop down menu and click on “SUBMIT”
- 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 Code as displayed and Click on Login.



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- 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.❖ 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 Suresh Kumar with sequence number 1 then enter SA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none">❖ Please enter the DOB or Dividend Bank Details in order to login. If 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 “v”.

- 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 <IKF Finance Limited> EVSN Reference No: **171213005** 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.



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- 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.
Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> 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 they have to create 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 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.
- xix. 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.co.in in under help section or write an email to helpdesk.evoting@cdslindia.com.
- xx. You are advised to cast your vote only through E-voting or through Ballot at the Extra Ordinary General Meeting. In case you cast your votes through both the modes, votes cast through e-voting shall only be considered and votes cast at the meeting through Ballot would be rejected.

Other Instructions:

- i) The e-voting period commence on Saturday, January 6, 2018 at 9.00 a.m. and ends on Monday, January 8, 2018 at 5.00 p.m. During this period, member of the company holding share either in physical form or in dematerialize form as on Tuesday, January 2, 2018 may cast their vote electronically. The e-voting module shall be disabling by CDSL for voting Thereafter. Once the vote on resolution is cast by the member, he shall not be allowed to change it subsequently.
- ii) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the company as on January 2, 2018.
- iii) Mr. S.Srikanth, Company Secretary in Practice has been appointed as the scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) and in a fair and transparent manner.



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- iv) The Scrutinizer shall, immediately after the conclusion of voting at the EGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by the Chairman, who shall declare the result of the voting forthwith.
- v) The results declared along with the scrutinizers report shall be placed on the company website www.ikffinance.com and with the website of CDSL within two days of passing of resolutions at the EGM of the company on January 9, 2018.
- vi) Members may also note that the Notice of the Extra Ordinary General Meeting and the same is available on the Company's website, www.ikffinance.com Members who require physical copies may write to us at sreenivas@ikffinance.com
- vii) All documents referred to in this Notice are available for inspection at the Company's registered office during normal business hours on working days up to the date of the Extra Ordinary General Meeting.
- viii) Members are requested to bring their notice to the Meeting.



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Explanatory Statement and disclosures [Pursuant to applicable provisions of the Companies Act, 2013]

A. Item No. 1

1. The Board has proposed to issue and allot 51,79,688 Partly paid Equity shares of Rs.10/- each at a premium of Rs.62.59/- payable over a period of four years to the persons belonging to promoters and persons acting in concert on preferential basis of allotment.

2. **Information required under section 102 of the Companies Act, 2013 are as follows:**

The nature of concern or interest, financial or otherwise, if any of (i) director, manager; (ii) other key managerial personnel; or (iii) relatives of the persons mentioned in (i) and (ii):

None of the directors, managers, key managerial personnel are interested or concerned except to the extent of their shareholding and directorship.

3. **The disclosures pursuant to Rule 13(2)(d) the of Companies (Share Capital and Debentures) Rules, 2014 are as follows:**

a) Objects of the issue

As the Board proposes to undertake expansion program, it requires raising the additional funds which the management proposes to raise by further issue of securities of the Company.

b) Total number of shares or other securities to be issued

The Board is proposed to issue a total of 51,79,688 Equity shares of Rs.10/- each at a premium of Rs.62.59/- each.

c) Pricing

The pricing for share is done in accordance with the guidelines stipulated under the provisions of the Companies Act, 2013 and all other applicable provisions from time to time. The issue of Equity shares shall be at a price of Rs 72.59/- per each share (Nominal Value of Rs.10/- each with a premium of Rs.62.59/- each). The entire amount on the shares issued shall be paid in cash only by the allottee over a period of four years.

d) Basis on which the price has been arrived at along with report of the registered valuer;

Based on the valuation report of the registered valuer, the Fair Market Value of the shares is Rs 70/- (Rupees Seventy only) per share. Copy of the Valuation report is available for inspection at the Registered Office of the Company during business hours on any day till the date of the meeting

e) Relevant date with reference to which the price has been arrived at.

The relevant date, for determination of the price is December 7, 2017, being the date 30 (thirty) days prior to the date on which the meeting of Members is held to consider the proposed issuance of Equity Shares



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f) The class or classes of persons to whom the allotment is proposed to be made

All are individuals

g) Intention of promoters, directors to subscribe to the offer

Contribution of capital for the business expansion activities and increase their shareholding in the Company.

h) Proposed time within which the allotment shall be completed

The allotment of the shares shall be completed within 12 months from the date of passing of the above resolutions in accordance with the provisions of applicable Rules and Guidelines.

i) The names of the proposed allottee and the percentage of post preferential offer capital that may be held by the proposed allottees.

S No	Name of the Allottee	No of Shares	Percentage of post preferential offer (Before conversion of CCPs)	Percentage of post preferential offer (After conversion of CCPs)
1	V.G.K.Prasad	35,05,821	35.47%	34.16%
2	V.Indira Devi	3,21,240	3.25%	3.13%
3	V.Raghu Ram	3,50,970	3.55%	3.42%
4	K Vasumathi Devi	5,15,980	5.22%	5.03%
5	V Vasantha Laskhmi	4,85,677	4.91%	4.73%
Total		51,79,688	52.41%	50.47%

j) Change in control

There will not be any change in the control of the company on account of the proposed private placement.

k) The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price.

During the year, the Company has allotted following Non Convertible Debentures by way of a preferential allotment on private placement basis to the following:

S No	Name of the Allottee	Date of Allotment	No of NCDs	Face Value of NCD	Consideration
1	Unifi AIF	06.01.2017	1600	100000	16,00,00,000
2	Reliance Capital Trustee Co Ltd (Reliance Mutual Fund)	30.03.2017	450	1000000	45,00,00,000
3	Reliance Unicorn Enterprise Private Limited	05.11.2017	250	1000000	25,00,00,000



IKF Finance Limited

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VIJAYAWADA – 520 010.
Phone:91-866-2474644, 2474633
Email: ikffinance@gmail.com

a) The pre issue and post issue shareholding pattern of the company:

S. No.	Category	Pre Issue		Post Issue (Conversion of CCPs)	
		No. of shares held	% of shareholding	No. of shares held	% of shareholding
A	Promoters' Holding:				
1.	Indian:				
	Individual	213,95,005	47.00%	265,74,693	50.47%
	Body Corporate	--	--	--	--
	Sub Total	213,95,905	47.00%	265,74,693	50.47%
2.	Foreign Promoters	16,11,800	3.54%	16,11,800	3.06%
	Sub Total (A)	230,07,705	50.54%	281,86,493	53.53%
B	Non-Promoters' Holding:				
1.	Institutional Investors	1,89,02,439	41.52%	208,55,564	39.60%
2.	Non-Institution:	--	--	--	--
3.	Private Corporate Bodies	--	--	--	--
4.	Directors and Relatives	--	--	--	--
5.	Indian Public	--	--	--	--
6.	Others (Including NRIs)	36,17,010	7.94%	36,17,010	6.87%
	Sub Total (B)	225,19,449	--	244,72,574	46.47%
	GRAND TOTAL (A+B)	455,26,254	100%	526,59,067	100%

4. The disclosures pursuant to Rule 14 (2)(a) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 are as follows:

The price of shares to be issued is determined based on the valuation report of the registered valuer, the Fair Market Value of the shares is Rs 70/- (Rupees Seventy) per share. Copy of the Valuation report is available for inspection at the Registered Office of the Company during business hours on any day till the date of the meeting.

The Board of Directors of the company recommends the special resolution for approval of the members in the meeting.

The relevant books and documents are available for inspection during business hours of the Company till the date of the meeting.

B. Item No.2

1. The Board of Directors propose to create, offer, issue and allot 19,53,125 (Nineteen Lac Fifty Three Thousand and One Hundred and Twenty Five only) Compulsory Convertible Preference Shares (CCPs) having a face value of Rs 100/- by way of preferential allotment on private placement basis to the Investors. The said issue of private placement offer letter shall be approved by the members by passing special resolution in a duly convened general meeting. The CCPs shall be compulsorily convertible in to equity shares of the Company within a maximum period of 12 months from the date of allotment.



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2. Information required under section 102 of the Companies Act, 2013 are as follows:

The nature of concern or interest, financial or otherwise, if any of (i) director, manager; (ii) other key managerial personnel; or (iii) relatives of the persons mentioned in (i) and (ii):

None of the directors, managers, key managerial personnel are interested or concerned except to the extent of their shareholding and directorship.

3. The disclosures pursuant to Rule 13(2)(d) and Rule 9 (3) the of Companies (Share Capital and Debentures) Rules, 2014 are as follows:

a) The objects of the preferential issue:

As the Board proposes to undertake expansion program, it requires raising the additional funds which the management proposes to raise by further issue of securities of the Company.

b) The manner of issue:

Compulsory Convertible Preference shall be issued by way of preferential allotment on private placement basis.

c) Total number of securities to be issued, price or price band at/within which the allotment is proposed

19,53,125 (Nineteen Lac Fifty Three Thousand and One Hundred and Twenty Five only) Compulsory Convertible Preference Shares (CCPs) having face value of Rs 100/- by way of preferential allotment with a premium of Rs 28/- per CCPs total aggregating to Rs 25,00,00,000/- (Rupees Twenty Five Crore only).

Each CCP shall convert into one equity share of the Company.

d) Basis on which the price has been arrived at:

Based on the valuation report of the registered valuer, the FMV of the CCPs is Rs 70/- (Seventy) per share. Copy of the Valuation report is available for inspection at the Registered Office of the Company during business hours on any day till the date of the meeting

e) Nature of securities:

Compulsory Convertible Preference Shares each having face value of Rs 100/- and a premium of Rs. 28/- each.

f) Terms of issue and conversion:

CCPS shall not carry any dividend and compulsory convertible into equity shares. Each CCP shall convert into one equity share of the Company.



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g) The manner and modes of redemption:

Not applicable as CCPS shall compulsorily convert into equity shares of the Company.

h) Relevant date with reference to which the price has been arrived at.

The relevant date, for determination of the price is December 7, 2017, being the date 30 (thirty) days prior to the date on which the meeting of Members is held to consider the proposed issuance of CCPs.

i) The class or classes of persons to whom the allotment is proposed to be made

- i) Indian Business Excellence Fund- II –Venture Capital Fund
- ii) Indian Business Excellence Fund- II A- Global Business Licensee Category I

iii) Proposal of the Promoters, Directors or Key Management Personnel of the Company to subscribe to the offer:

None of the Promoters, Directors or Key Management Personnel of the Company has any intention to subscribe to the offer. The offer is limited to the Investors only.

iv) Proposed time within which the preferential issue shall be completed:

The CCPS shall be allotted within a period of 15 days from the date of approval of the Members to the preferential issue, provided that where the said allotment is pending on account of pendency of any approval for such allotment by any regulatory authority, the allotment shall be completed within a period of 15 days from the date of such approval.

v) Names of the Investors and the percentage of the pre & post preferential issue capital that may be held by them:

Name of the Investor	Pre Preferential Allotment		Post Preferential Allotment		Post Conversion of CCPs	
	No of Shares	%	No of Shares	%	No of Shares	%
Indian Business Excellence Fund- II	70,73,171	15.54	70,73,171	15.54	78,04,018	14.82
Indian Business Excellence Fund- IIA	118,29,268	25.98	118,29,268	25.98	130,51,546	24.78
Total	189,02,439	41.52	189,02,439	41.52	208,55,564	39.60



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vi) **Change in control, if any, in the company that would occur consequent to the preferential offer:**

There will not be any change in the control of the company on account of the proposed private placement

vii) **The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:**

During the year, the Company has allotted following Non Convertible Debentures by way of a preferential allotment on private placement basis to the following:

S No	Name of the Allottee	Date of Allotment	No of NCDs	Face Value of NCD	Consideration
1	Unifi AIF	06.01.2017	1600	100000	16,00,00,000
2	Reliance Capital Trustee Co Ltd (Reliance Mutual Fund)	30.03.2017	450	1000000	45,00,00,000
3	Reliance Unicorn Enterprise Private Limited	05.11.2017	250	1000000	25,00,00,000

viii) **Shareholding Pattern of the Company before and after the Preferential Issue**

S. No.	Category	Pre Issue		Post Issue (Conversion of CCPs)	
		No. of shares held	% of shareholding	No. of shares held	% of shareholding
A	Promoters' Holding:				
1.	Indian:				
	Individual	213,95,005	47.00%	265,74,693	50.47%
	Body Corporate	--	--	--	--
	Sub Total	213,95,905	47.00%	265,74,693	50.47%
2.	Foreign Promoters	16,11,800	3.54%	16,11,800	3.06%
	Sub Total (A)	230,07,705	50.54%	281,86,493	53.53%
B	Non-Promoters' Holding:				
1.	Institutional Investors	1,89,02,439	41.52%	208,55,564	39.60%
2.	Non-Institution:	--	--	--	--
3.	Private Corporate Bodies	--	--	--	--
4.	Directors and Relatives	--	--	--	--
5.	Indian Public	--	--	---	---
6.	Others (Including NRIs)	36,17,010	7.94%	36,17,010	6.87%
	Sub Total (B)	225,19,449	--	244,72,574	46.47%
	GRAND TOTAL (A+B)	455,26,254	100%	526,59,067	100%



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ix) The expected dilution in equity share capital upon conversion of preference shares

The Investors shareholding will be reduced by 1.92% on dilution basis.

x) Identity of the natural persons who are ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the Investors:

The Investors are:

- i) Indian Business Excellence Fund- II –Venture Capital Fund
- ii) Indian Business Excellence Fund- II A- Global Business Licensee Category

4. The disclosures pursuant to Rule 14 (2)(a) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 is as follows:

The price of CCPs to be issued is determined based on the valuation report of the registered valuer, the Fair Market Value of the CCPs is Rs 70/- (Rupees Seventy) per share. Copy of the Valuation report is available for inspection at the Registered Office of the Company during business hours on any day till the date of the meeting.

5. The Board of Directors of the company recommends the special resolution for approval of the members in the meeting.
6. The relevant books and documents are available for inspection during business hours of the Company till the date of the meeting.

C. Item Nos.3,4 and 5

Keeping in view the proposed business augmentation requirements the Company intends to increase the authorized share capital of company from Rs 50.00 Crores to Rs 85.00 Crores. It is, therefore proposed to alter the Memorandum and Articles of Association of Company pursuant to Section 13 and 14 of the Companies Act, 2013 read with Section 61(1) of the Companies Act, 2013, to give effect to the said resolution.

As the amendment consequent to the increase of Authorized Share Capital requires amendment of Memorandum and Articles of Association, by way of passing Special Resolutions in the General Meeting under Sections 13, 14 and 61 (1) of the Companies Act, 2013 the same Resolutions are recommended for your approval.

Copies of Memorandum and Articles of Association as amended are kept for inspection at the Registered Office of the Company during the business hours of the Company.

None of the Directors, managers of the Company, other key managerial personnel and relatives of Directors, managers or key managerial personnel are in any way concerned or interested in the said Resolution except to the extent of their shareholding and directorship in the Company.

*by order of the Board of Directors
for IKF Finance Limited*

*(Ch Sreenivasa Rao)
Company Secretary*

Place: Vijayawada
Date:13.12.2017

ATTENDANCE SLIP**IKF FINANCE LIMITED**

CIN : U65992AP1991PLC012736

Regd. Office: # 40-1-144, Corporate Centre, M.G.Road, Vijayawada - 520 010.

D.P.Id		NAME AND ADDRESS OF THE REGISTERED SHAREHOLDER
Client Id / Folio No.		
No. of Shares		

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company.
I hereby record my presence at the Extraordinary General Meeting of the Company at the Registered Office of the Company, Vijayawada - 520 010, on Tuesday, 9th January, 2018 at 10:30 a.m.

SIGNATURE

Note : Please complete this and hand it over at the entrance of the hall.

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules 2014]

**IKF FINANCE LIMITED**

CIN : U65992AP1991PLC012736

Regd. Office: # 40-1-144, Corporate Centre, M.G.Road, Vijayawada - 520 010.

Name of the member(s)			
Registered Address			
Email ID			
Folio No. / Client ID		DP ID	

I/We, being the member(s) of _____ shares of **IKF Finance Limited**, hereby appoint:

- 1) _____ of _____ having e-mail id _____ or failing him
- 2) _____ of _____ having e-mail id _____ or failing him
- 3) _____ of _____ having e-mail id _____ or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extraordinary General Meeting of the Company, to be held at Registered Office of the Company situated at 40-1-144, Corporate Centre, M G Road,, Vijayawada-520010 on Tuesday, 9th January, 2018 at 10:30 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Item No.	Resolutions	For	Against
1	Issue of Partly Paid Equity Shares on a Preferential Allotment /Private Placement Basis to the promoters		
2	Issue and Allotment of Compulsorily Convertible Preference Shares and Equity Shares arising on conversion of such compulsorily convertible preference shares		

Item No.	Resolutions	For	Against
3	Increase In Authorised Share Capital from Rs 50 Cr to Rs 85 Cr		
4	Alter Memorandum of Association of the Company		
5	Alter Articles of Association of the Company		

Affix a
1 Rupee
Revenue
Stamp

Signed this day of 2018

Signature shareholder :

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Note:

- (1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- (2) **A Proxy need not be a member of the Company.**

IKF Finance Limited
Address :#40-1-144, Corporate Centre, M.G.Road, Vijayawada-520010.

Route Map

