



SPANDANA

SPANDANA SPHOORTY FINANCIAL LIMITED

CIN: L65929TG2003PLC040648

Registered Office: Plot No: - 31 & 32, Ramky Selenium Towers, Tower A, Ground Floor, Financial Dist,
Nanakramguda, Hyderabad, Telengana-500032

Website: www.spandanaindia.com | **Ph No.:** 040-48126666

E-mail: secretarial@spandanaindia.com

POSTAL BALLOT NOTICE

[Notice pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and the MCA Circulars (as defined below)]

Dear Member(s),

Notice is hereby given that pursuant to the provisions of Section 110 and other applicable provisions of the Companies Act, 2013 ("the Act") read with Rule 22 and 20 of the Companies (Management and Administration) Rules, 2014 ("the Rules") (including any statutory modification(s) or amendment(s) or variation(s) or re-enactment(s) thereof for the time being in force), guidelines prescribed by the Ministry of Corporate Affairs for holding general meetings/ conducting postal ballot process, vide General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 (the "MCA Circulars") in view of COVID-19 and further pursuant to Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "Listing Regulations") and Secretarial Standard - 2 (SS-2) on General Meetings and any other applicable laws and regulations, the resolutions appended below are proposed to be passed by the Members of Spandana Sphoorty Financial Limited ("the Company") through postal ballot (the "Postal Ballot")/ electronic voting ("e-voting").

SPECIAL BUSINESS:

ITEM NO. 1 - TO APPROVE THE ISSUE OF NON-CONVERTIBLE DEBENTURES (NCDs) ON PRIVATE PLACEMENT BASIS:

To consider and if thought fit, to pass with or without modifications, the following resolution as **SPECIAL RESOLUTION:**

"RESOLVED THAT in supersession to the earlier resolution passed by the Members at the 16th Annual General Meeting of the Company held on July 11, 2019 and in accordance with Section 23, 42 and 71 and other applicable provisions, if any, of the Companies Act, 2013 and in accordance with Rule 14(2) and other applicable provisions of Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014, SEBI (Issue & Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, Guidelines Issued by Reserve Bank of India for Raising Money through Private Placement of Non-Convertible Debentures (NCDs) by NBFCs and all other rules, regulations, guidelines, notifications, clarifications and circulars, if any, issued by any Statutory/Regulatory Authority, as may be applicable and the memorandum and articles of association of the Company and subject to the consents, approvals,

permissions and sanctions of the concerned statutory and regulatory authorities, if and to the extent necessary, consent of the Members be and is hereby accorded to the Board of Directors of the Company (the "Board", which term shall include any committee constituted / may be constituted by the Board to exercise its powers including the powers conferred under this Resolution) to create, offer, invite, issue and allot subordinated or unsubordinated, perpetual or non-perpetual, listed or unlisted, secured or unsecured, non-convertible debentures (hereinafter collectively referred as "Securities") on a private placement basis during a period of one year from the date of passing of this resolution up to an amount not exceeding Rs. 2000,00,00,000/- (Rupees two thousand crore only) on such terms and conditions, at par, premium or discount, in one or more tranches to such person or persons including but not limited to one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, alternative investment funds, pension/provident funds and individuals as the case may be, as the Board may decide in its absolute discretion."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to determine and consider terms that are proper and most beneficial to the Company including, without limitation, the terms of issue including the class of investors to whom the Securities are to be issued, time, securities to be offered, the number of securities, tranches, issue price, tenor, interest rate, premium/ discount, listing, utilization of the issue proceeds and to do all such acts and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds/ documents/ undertakings/ agreements/ papers/ writings, as may be required in this regard and matters connected therewith or incidental thereto."

**By the Order of the Board of Directors
For Spandana Sphoorty Financial Limited**

Sd/-
Padmaja Gangireddy
Managing Director
DIN: 00004842

Place: Hyderabad
Date: June 02, 2020

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (hereinafter referred to as the "Act") read with Section 110 of the Act and Rule 22 of the Companies (Management and Administration) Rules, 2014, setting out material facts concerning the Special Resolution as set out in the Notice is annexed hereto and forms part of this Notice.
2. This Postal Ballot Notice is being sent to the Members whose names appear on the register of members / list of beneficial owners maintained by the Depositories as on the close of business hours on June 12, 2020 ("**Cut-off date**"). A copy of the Postal Ballot notice will also be available on the Company's website www.spandanaindia.com, on the website of KFINTECH at <https://evoting.karvy.com> and on the website of the Stock Exchanges on which the shares of the Company are listed.
3. The Postal Ballot Notice along with the Postal Ballot Form is being sent in electronic form to the 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, through permitted mode along with a postage pre-paid Business Reply Envelope (**BRE**) addressed to the Scrutinizer.
4. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members as on "**Cut-off date**". Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date

will be entitled to cast their votes by Postal Ballot or e-voting. A person who is not a member as on the cut-off date should treat this notice for information purposes only.

5. Pursuant to Rule 22(5) of the Companies (Management and Administration) Rules, 2014, the Board of Directors of the Company, at its meeting held on June 02, 2020 has appointed Mr. Y. Ravi Prasada Reddy, a Practising Company Secretary (having CP No. 5360), Proprietor of RPR and Associates, Company Secretaries in Practice, Hyderabad as Scrutinizer (“**Scrutinizer**”) for conducting the Postal Ballot including e-voting process in a fair and transparent manner.
6. In compliance with the provisions of Section 108 and all other applicable provisions of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “the Listing Regulations”) and the provisions of the MCA Circulars, the Company is providing facility for voting by electronic means (“e-voting”) arranged by the Company’s Registrar and Transfer Agent – KFin Technologies Private Limited (“**KFINTECH**”) to all the Members of the Company to enable them to cast their votes electronically on the resolution mentioned in the Notice.
7. The e-voting period will commence on Thursday, June 18, 2020 at 09.00 a.m. (IST) and end on Friday, July 17, 2020 at 05.00 p.m. (IST) (Both the days inclusive). During this period, Members of the Company holding shares as on cut-off date either in physical form or in dematerialized form may cast their votes electronically. The e-voting module shall be disabled by KFINTECH thereafter. Please note that once the vote on a resolution has been cast, the Member cannot change it subsequently or cast the vote again.
8. Members can opt for only one mode of voting i.e., either through Postal Ballot Form or e-voting. If a Member opts for e-voting, then he/she/it should not vote through Postal Ballot Form and vice versa. In case a Member cast his/her/its vote both through Postal Ballot Form and e-voting, then voting done through e-voting only shall prevail and voting done by Postal Ballot Form will be treated as invalid.
9. In case a Member is desirous of obtaining Postal Ballot in printed form or a duplicate thereof, the Member may write to the “KFin Technologies Private Limited, Unit: Spandana Sphoorty Financial Limited, Selenium Building, Tower B, Plot No. 31&32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032.” Alternatively, he/she/it can also send an e-mail to einward.ris@kfintech or to secretarial@spandanaindia.com. KFINTECH/Company shall forward the same along with postage-prepaid self-addressed BRE upon receipt of a request from a Member.
10. Members desiring to exercise their vote by physical Postal Ballot are requested to carefully read the instructions printed overleaf on the Postal Ballot Form and return the said Form duly completed and signed, in the enclosed self-addressed prepaid postage BRE to the Scrutinizer, so that it reaches the Scrutinizer not later than 5.00 p.m. (IST) on Friday, July 17, 2020. The postage will be borne by the Company. However, envelopes containing Postal Ballot Form, if sent by courier or registered / speed post at the expense of the Members will also be accepted. If any Postal Ballot Form is received after 5.00 p.m. (IST) on Friday, July 17, 2020, it will be considered as no reply from the Member has been received. Additionally, please note that the Postal Ballot Forms shall be considered invalid if (i) it is not possible to determine without any doubt the assent or dissent of the Member, and/or (ii) a competent authority has given directions in writing to the Company to freeze the voting rights of the Member, and/or (iii) it is defaced or mutilated in such a way that its identity as a genuine form cannot be established; and/ or (iv) the Member has made any amendment to the resolution set out herein or imposed any condition while exercising his vote and/or (v) A form other than one issued by the company has been used, and/or (vi) it has not been signed by or on behalf of the member and/or (vii) Signature on the Postal Ballot Form doesn’t match the specimen signature available with the company and/or (viii) neither assent nor dissent is mentioned and/or (ix) the envelope containing the Postal Ballot Form is received after the last date prescribed and/or (x) the Postal Ballot Form, signed in a representative capacity, is not accompanied by a certified copy of the relevant specific authority.

11. Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrars and Transfer Agents / Depository Participant(s) for receiving future communication(s) in electronic form.
12. A member need not use all his / her / its votes nor does he / she / it need to cast all his / her / its votes in the same way. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.
13. The Special Resolutions, if passed by the requisite majority, shall be deemed to have been passed on Friday, July 17, 2020 i.e., the last date specified for receipt of duly completed Postal Ballot Forms or e-voting. Special Resolutions passed by Members with requisite majority through Postal Ballot shall be deemed to have been passed at a general meeting of Members convened on that behalf.
14. All the material documents referred to in the explanatory statement, if any, will be available for inspection at the registered office of the Company during business hours on all working days except Saturdays, from the date of dispatch until the last date for receipt of votes by Postal Ballot / e-voting.
15. **The instructions for voting are as follows :**

A. Voting through Physical Postal Ballot Form:

1. A Member desirous of exercising vote by Postal Ballot shall complete the enclosed Postal Ballot Form by marking his/her/its assent (for) or dissent (against) in respect of the Special Resolution and send it to the Scrutinizer in the enclosed self-addressed pre-paid postage BRE. Postage charges will be borne and paid by the Company. Alternatively, in case a Member sends the Postal Ballot Form by courier or registered post or delivers it in person at his expense, such Postal Ballot Form will also be accepted.
2. The Postal Ballot Form, duly completed and signed by the Member should be returned in the enclosed self-addressed pre-paid postage BRE directly to the Scrutinizer so as to reach the Scrutinizer not later than 5:00 p.m. (IST) on Friday, July 17, 2020. Any Postal Ballot Form received after the said date and time shall be treated as if no reply from such Member has been received.

B. Voting through e-voting:

The instructions for Members for e-voting are as under:

A. In case a Member receives an e-mail from KFin Technologies Private Limited and wants to vote electronically:

- (i) Open your web browser during the voting period and navigate to <https://evoting.karvy.com>
- (ii) Enter the login credentials (i.e.- user-id & password) mentioned on the Notice.

Your Folio/DP Client ID will be your User-ID.	
User ID	For member(s)/beneficial owner(s) holding shares in Demat Form: <ul style="list-style-type: none"> • For NSDL: 8 Character DP ID followed by 8 Digits Client ID. • For CDSL: 16 digits beneficiary ID. • For Members holding shares in Physical Form: Electronic Voting Event Number (EVEN) followed by Folio Number registered with the Company.
Password	Your unique password is sent via email forwarded through the electronic notice.
Captcha	Enter the verification code for security reasons i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- (iii) After entering these details appropriately, click on “LOGIN”.
- (iv) Members holding shares in demat/physical form will now reach password change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through KFINTECH’s e-voting platform. System will prompt you to change your password and update any contact details like mobile no., email ID etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (v) You need to login again with the new credentials.
- (vi) If you are holding shares in demat form and have logged on to <https://evoting.karvy.com> and casted your vote earlier for any Company, then your existing login id and password are to be used. If you have forgotten your password, you can reset your password by using “Forgot Password” option available on said website.
- (vii) On successful login, system will prompt to select the ‘Event’ i.e.- ‘Company Name’.
- (viii) On the voting page, you will see resolution description and against the same the option ‘FOR/AGAINST/ ABSTAIN’ for voting. Enter the number of shares (which represents number of votes) under ‘FOR/AGAINST/ ABSTAIN’ or alternatively you may partially enter any number in ‘FOR’ and partially in ‘AGAINST’, but the total number in ‘FOR/AGAINST’ taken together should not exceed your total shareholding. If the shareholders do not want to cast, select ‘ABSTAIN’.
- (ix) 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.
- (x) Once you ‘CONFIRM’ your vote on the resolution, you will not be allowed to modify your vote.
- (xi) Corporates/Institutional Members (Corporates/Fls/Flls/Trusts/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board Resolution to the Scrutinizer through e-mail to rprassociateshyd@gmail.com with copy to evoting@kfintech.com. The scanned image of the Board Resolution should be in the naming format “Corporate Name_ Event no.”
- (xii) Please contact on toll free No. 1-800-34-54-001 for any further clarifications.
- (xiii) Members can cast their vote online from 09:00 A.M. (IST) on Thursday, June 18, 2020 to 5:00 P.M. (IST) on Friday, July 17, 2020 (both days inclusive).
- (xiv) The Results of the e-voting shall be declared along with the Scrutinizers’ Report by placing it on the Company’s website www.spandanaindia.com within two (2) days of closing of e-voting facility and shall be communicated to the Stock Exchanges wherein the Company’s shares are listed.

B. In case a Member receives Postal Ballot Form through Post and wants to vote electronically:

- i. Initial password is provided along with the Postal Ballot Form.
- ii. Please follow all steps from SI. No. (i) to SI. No. (xiv) as mentioned in (A) above, to cast your votes by electronic means.

C. In case of any queries, you may refer the Frequently Asked Questions (FAQs) and e-voting User Manual for shareholders, available at the download section of <https://evoting.karvy.com> or contact KFin Technologies Private Limited at Tel No. 1800 345 001 (toll free). In case of any grievances connected with e-voting, members may kindly contact Ms. C Shobha Anand, Dy. General Manager, KFin Technologies Private Limited at Selenium Building, Tower B, Plot No.31&32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, Tel no. +91 40 67162222, and e-mail ID : evoting@kfintech.com

16. Eligible Members who have not received the Postal Ballot Notice or received the Postal Ballot Notice by email and wish to vote through physical ballot can download the form from the link <https://evoting.karvy.com> or from the website of the Company (<http://www.spandanaindia.com/investors/index.html>).
17. Pursuant to Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars and the Listing Regulations, the details pertaining to this Postal Ballot will be published in one English national daily newspaper circulating throughout India (in English language) and one Telugu daily newspaper circulating in Telangana (in vernacular language, i.e. Telugu).
18. The Scrutinizer will submit his report to the Chairman or any other person authorized by the Chairman after the completion of scrutiny, and the results of the voting by Postal Ballot form /e-voting will be announced by the Chairman or any Director of the Company duly authorized, on or before Sunday, July 19, 2020. The result, along with the Scrutinizer's Report, will be displayed on the website of the Company (<http://www.spandanaindia.com/investors/index.html>) and on the website of KFINTECH (<https://evoting.karvy.com>), and communicated to the Stock Exchanges on which the shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO THE SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 1

Members at the 16th Annual General Meeting of the Company held on July 11, 2019, had accorded their approval by way of Special Resolution for making offer(s) or invitation(s) to subscribe to, and allot subordinated or unsubordinated, perpetual or non-perpetual, listed or unlisted, secured or unsecured, non-convertible debentures (hereinafter collectively referred as "Securities") upto an aggregate amount of Rs. 2,000 Crore under private placement basis, for the period of one year on such terms and conditions as may be determined by the Board. The said approval will be expiring on July 10, 2020.

Members are requested to note that considering the Business Plans and growth of the Company and to enable the Company to raise funds by way of issuance of NCDs, the Board of Directors of the Company at their meeting held on June 02, 2020, subject to the approval of the Members of the Company, accorded their approval to create, offer, invite, issue and allot NCDs, on a private placement basis during a period of one year from the date of passing of this resolution up to an amount not exceeding Rs. 2000,00,00,000/- (Rupees Two thousand crores only). Further, the Board of Directors have authorised the Management Committee to undertake all acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, proper or desirable, in respect of issuance of NCDs under private placement including but not limited to determine the terms and conditions of the NCDs to be issued, number of NCDs to be issued, issue price, face value, issue size, coupon, tenor, objects of the issue, etc

Members are requested to note that in terms of Section 71 of the Companies Act, 2013 read with Section 23 and 42 of the Companies Act, 2013 and Rule 14(1) of the Companies (Prospectus & Allotment of Securities) Rules, 2014 which inter alia states that a Company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe securities has been previously approved by the shareholders of the Company, by a Special Resolution, for each of the offers or invitations, however in case of offer or invitation for non-convertible debentures, it shall be sufficient if the Company passes a previous special resolution only once in a year for all the offers or invitation for such debentures during the year.

Accordingly, the approval of the Members is sought by way of special resolution to create, offer(s) or invitation(s) to subscribe to, issue and allot subordinated or unsubordinated, perpetual or non-perpetual listed or unlisted, secured or unsecured, non-convertible debentures under private placement, in one or more tranches, for an amount not exceeding Rs. 2,000 crores, and as per the terms to be decided by the Board of Directors of the Company (the "Board", which term shall include any committee constituted / may be constituted by the Board to exercise its powers including the powers conferred under this Resolution), during the period of one year from the date of passing of the Special Resolution set out at item 1 of the Postal Ballot Notice

The Directors recommends the resolution for Members' approval, by way of Special Resolution. None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution, except to the extent of the NCDs that may be subscribed by any entity in which any of the Directors or Key Managerial Personnel of the Company or their relatives may be concerned or interested in any capacity.

**By the Order of the Board of Directors
For Spandana Sphoorty Financial Limited**

**Sd/-
Padmaja Gangireddy
Managing Director
DIN: 00004842**

**Place: Hyderabad
Date: June 02, 2020**