

**NOTICE**

**NOTICE** is hereby given that the Extra-ordinary General Meeting of Jain Sons Finlease Limited will be held on Tuesday, the 22<sup>nd</sup> day of January, 2019 at 04:15 PM at the Corporate Office of the Company situated at 12B, 3<sup>rd</sup> Floor, Techniplex-II IT Park, Off. Veer Savarkar Flyover, Goregaon (West), Mumbai - 400062, Maharashtra, on a shorter notice consent to transact the following business:

**1. Change in designation of Mr. Nikesh Kumar Sinha from Executive Director & CEO to Managing Director of the Company**

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 152, 161, 196, 197 & 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and qualification of Directors) Rules, 2014 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and in accordance with the Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded for the change in designation of Mr. Nikesh Kumar Sinha from an Executive Director & CEO to Managing Director of the Company for a period of 3 years w.e.f. 22-Jan-2019 on such terms and conditions as mentioned in below table be and is hereby approved:

Sl. No.	Particulars	Composition
1	Fixed Salary	Rs.1,00,00,000/-
2	Performance linked variable pay	50% of Fixed Pay
3	Mediclaime coverage	As per rules of the Company's scheme
4	Leave Encashment	As per rules of the Company's scheme
5	Provident Fund	As per rules of the Company's scheme
6	Gratuity	As per rules of the Company's scheme
7	Other perquisites	As per rules of the Company's scheme

**RESOLVED FURTHER THAT** Mr. Nikesh Kumar Sinha shall also be entitled to 2,50,000 equity shares of Rs.10/- each, out of the ESOP Pool, in the following manner:

- 50% of equity shares i.e. 1,25,000 equity shares shall be purchased / acquired at the face value of Rs.10/- each;
- Balance 50% of equity shares i.e. 1,25,000 equity shares shall be purchased / acquired at Rs.87.50/- per share.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year during the currency of tenure of service of Mr. Nikesh Kumar Sinha, as a Managing Director of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration.

**RESOLVED FURTHER THAT** Mr. Vineet Chandra Rai, Chairman or Mr. Anurag Agrawal, Director or Mr. Chirag Desai, Company Secretary of the Company be and are hereby severally authorised to enter into an agreement /issue a letter for appointment and increase in remuneration and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.”





By Order of the Board of Directors

  
**Chirag Desai**  
Company Secretary



Mumbai, 22<sup>nd</sup> January, 2019

**Registered Office:**

1002, 10<sup>th</sup> Floor, A Block,  
The Platina, Gachibowli,  
Hyderabad – 500 032, Telangana, India  
CIN: U65910AP1998PLC088941

**Notes:**

1. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (Act) in respect of the special business under Item No. 1 of the Notice, is annexed hereto.
2. **A Member entitled to attend and vote at the Extra-ordinary General Meeting (EGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.**
3. Corporate Members are requested to send duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorising their representative to attend and vote at the Extra-Ordinary General Meeting.



**Explanatory Statement**  
(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 1 of the accompanying Notice:

**Item No. 1- Change in designation of Mr. Nikesh Kumar Sinha from Executive Director & CEO to Managing Director of the Company:**

In the Board Meeting held on 30-Oct-2018, the Company has appointed Mr. Nikesh Kumar Sinha as an Executive Director & CEO of the Company. Based on the recommendation of the Members of Nomination and Remuneration Committee, the Board of Directors of the Company hereby recommends change in designation of Mr. Nikesh Kumar Sinha from Executive Director & CEO to Managing Director of the Company w.e.f. 22-Jan-2019 subject to approval of the members of the Company on such terms and conditions as mentioned below:

Sl.	Particulars	Composition
1	Fixed Salary	Rs.1,00,00,000/-
2	Performance linked variable pay	50% of Fixed Pay
3	Mediclaime coverage	As per rules of the Company's scheme
4	Leave Encashment	As per rules of the Company's scheme
5	Provident Fund	As per rules of the Company's scheme
6	Gratuity	As per rules of the Company's scheme
7	Other perquisites	As per rules of the Company's scheme

The above remuneration is to be paid as minimum remuneration in the absence or inadequacy of profits, subject to the provisions of Schedule V of the Companies Act, 2013.

As per the Companies Act, 2013 when the Company has no profit or its profit are inadequate, the Company may pay remuneration to the managerial person not exceeding the limits as defined in the Schedule V – Part A & B of the Act which is based on the effective capital of the Company. However, remuneration in excess of the limits may be paid, if the special resolution is passed by the Company in the shareholders meeting. In consideration of that, the effective capital of the Company is app. Rs.212cr and so limit of yearly remuneration payable shall not exceed Rs.1.20cr. However, by passing special resolution of the Shareholders in this general meeting of the Company, the Company may pay remuneration upto Rs.2.40cr. Hence, considering the contracted remuneration as mentioned in the resolution no. 1, it is proposed to pass special resolution in this general meeting of the Company.

Mr. Nikesh Kumar Sinha is not holding any Directorship in other listed Company and any shares in this Company or any other Company.

The details as required under Schedule V of the Companies Act, 2013, are given below:

**I. General Information:**

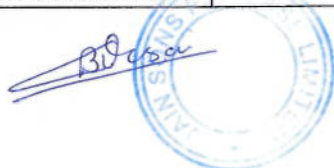
1	Nature of Industry	The Company is engaged in the business of lending or advancing money either with or without security and to arrange and negotiate loan.
2	Date or expected date of commencement of commercial production	The Company is an existing Company and is in operation since 1998



3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	<u>As on 31-Mar-2018:</u> EPS (basic): Rs. (18.12) per share EPS (diluted): Rs. (18.12) per share Total Revenues: Rs.54,63,80,872/- Profit After Tax: Rs. (19,95,83,313)
5	Foreign investments or collaborations, if any	Rs 10,00,00,000/- by Michael and Susan Dell Foundation; Rs 40,00,00,015.04/- by ON Mauritius Rs 24,45,42,515.40/- by DWM (International) Mauritius Ltd Rs. 12,22,71,257.70/- Triodos SICAV II Triodos Microfinance Fund Rs. 12,22,71,257.70/- Triodos Custody B.V. INZ. Triodos Fair Share Fund

## II. Information about the appointee:

1	Background details	Mr. Nikesh Kumar Sinha has a rich experience of 24 years of global banking experience across business-branch banking and prior to joining the Company he was positioned as the Head of Medium Enterprises Group (MEG) since 2014. He was one of the key personnel that made the SME pitch to Bain Capital during their diligence process for their investment process.  He has pursued his post-graduation diploma in Forestry Management from Indian Institute of Forest Management, Bhopal.'
2	Past Remuneration	Rs.1,77,50,095 (inclusive of perquisites)
3	Recognition or awards	Mr. Nikesh Kumar Sinha is having good experience in the industry in which the Company operates.
4	Job profile and his suitability	He is actively involved in the business of the Company and manages day to day business activities. He is also responsible for new business development of the Company. Taking into consideration his expertise, he is well suited for the responsibilities currently assigned to him by the Board of Directors of the Company.
5	Remuneration proposed	Fixed Salary: Rs. 1,00,00,000/- per annum Performance linked variable pay: upto 50% of the fixed amount
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would	At par with the industry standards in which the Company operates





	be with respect to the country of his origin)	
7	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	No relationship with any promoter, directors or other managerial personnel.

**III. Other Information:**

1	Reasons of loss or inadequate profits	During the FY 2017-18, our several clients were impacted due to lag impact of demonetization and GST implementation resulting in stretch in working capital cycle.
2	Steps taken or proposed to be taken for improvement	The focus for FY2018-19 will be to increase SME client acquisition and disbursement growth.
3	Expected increase in productivity and profits in measurable	We are expecting to grow our Company's revenue by 29% and operating profit is projected at Rs.15cr.

The Board of Directors recommends the Special Resolution respectively as set out at item no. 1 of the notice for approval of the Members.

Except, Mr. Nikesh Kumar Sinha, being appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested in the said resolution.

By Order of the Board of Directors

  
**Chirag Desai**  
 Company Secretary

Mumbai, 22<sup>nd</sup> January, 2019

**Registered Office:**

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