



**DHANVARSHA FINVEST LIMITED**

CIN: L24231MH1994PLC334457

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## **NOTICE OF TWENTY-SIXTH ANNUAL GENERAL MEETING**

Dear Member(s),

NOTICE is hereby given pursuant to Section 108 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the Act read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("Rules"), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the relaxations and clarifications issued by Ministry of Corporate Affairs ("MCA") vide General Circular No. 14/2020 dated April 08, 2020 and General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 22/2020 dated June 15, 2020 ("Circulars"), that the Twenty-Sixth Annual General Meeting of the Members Dhanvarsha Finvest Limited will be held on Monday, September 21, 2020 at 10.00 AM IST **through video conferencing ("VC")**, to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and Auditors thereon.

2. To declare the Dividend of 0.1 per equity share as the Final Dividend for the Financial Year 2019-20.

3. To appoint a director in place of Mr. Ashish Dalal (DIN:00024632), who retires by rotation and, being eligible, seeks reappointment and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 (6) and all other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder (including any statutory modification or re-enactment thereof for the

time being in force), Mr. Ashish Dalal (DIN:00024632) who retires by rotation at this Twenty-Sixth Annual General Meeting, and being eligible offered himself for reappointment, be and is hereby reappointed as a Director of the Company, whose period of office shall be liable to retire by rotation."

### **SPECIAL BUSINESS:**

**Ordinary/Special Resolutions to be passed through combination of remote e-voting/physical vote:**

**Item No.4: Appointment of Mr. Rakesh Sethi (DIN: 02420709) as an Independent Director.**

To appoint Mr. Rakesh Sethi (DIN: 02420709) as an Independent Director and, in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, and based on the recommendation of the Nomination and Remuneration Committee, Mr. Rakesh Sethi (DIN: 02420709), who was appointed as an Additional Director of the Company categorised as an Independent Director with effect from October 15, 2019, and who holds the office up to the date of this Twenty-Sixth Annual General Meeting, and in respect of whom the Company has received Notice in writing, be and is hereby appointed as an Independent Director of the Company to hold office for five (5) years with effect from October 15, 2019 up to October 14, 2024 and shall not be liable to retire by rotation, and shall be

eligible for sitting fees, reimbursement of expenses, and profit-related commission as may be permissible under law from time to time.”

**Item No.5: Appointment of Mr. Rajiv Kapoor** (DIN: 08204049) as an **Independent Director**.

To appoint Mr. Rajiv Kapoor (DIN: 08204049) as an Independent Director and, in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

To appoint Mr. Rajiv Kapoor (DIN: 08204049) as an Independent Director and, in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, and based on the recommendation of the Nomination and Remuneration Committee, Mr. Rajiv Kapoor (DIN: 08204049), who was appointed as an Additional Director of the Company categorised as an Independent Director with effect from February 03,2020 and who holds the office up to the date of this Twenty-Sixth Annual General Meeting, and in respect of whom the Company has received Notice in writing, be and is hereby appointed as an Independent Director of the Company to hold office for five (5) years with effect from February 03,2020 up to February 02,2025 and shall not be liable to retire by rotation, and shall be eligible for sitting fees, reimbursement of expenses, and profit-related commission as may be permissible under law from time to time.”

**Item No. 6: Approval for Related Party Transactions.**

**To consider and, if thought fit, pass the following resolution as an Ordinary Resolution.**

**“RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with Rules made thereunder (including

any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, consent of the Members be and is hereby accorded for ratification / approval of material related party transactions entered into by the Company with related parties as set out in the explanatory statement annexed to the notice convening this meeting.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to negotiate and finalise the terms and conditions of the said transaction with the related party, for and on behalf of the Company as it deems fit, in the interest of the Company, to take all such actions and to settle all matters that may arise with regard to such transaction(s) and to sign and execute all deeds, applications, documents, and writings that may be required to be signed in relation to the above and generally to all acts, deeds and things that may be necessary, proper, expedite or incidental in order to give effect to the resolutions in the best interest of the Company.

**RESOLVED FURTHER THAT** all actions taken by the Board of Directors in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects.”

**Item No. 7: Approval for making investments / extending loans.**

To authorize giving of loans / guarantees or providing security or making investments in securities and, in this regard, 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 186 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Members be and is hereby accorded to the Board of Directors of the Company (the “Board”) which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) to:

- make loans from time to time in the ordinary course of business on such terms and conditions as it may deem expedient to any person or other bodies corporate;
- give on behalf of any person, body corporate, any guarantee, or provide security in connection with a loan made by any other person to, or to any other person by any bodies corporate in the ordinary course of business; and acquire by way of subscription, purchase or otherwise the securities of any other bodies corporate.

in excess of the limits prescribed under Section 186 of the Act up to an aggregate sum of Rs.200 crores, notwithstanding that the aggregate of loans and investments so far made, the amounts for which guarantee or security so far provided to, along with the investments, loans, guarantee or security proposed to be made or given by the Board may exceed sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more and that all loans and guarantees given to persons or other bodies corporate /security provided in connection with the loan to any other bodies corporate or person and the investments made by the Company in the securities of other bodies corporate till date of passing of this resolution be and are hereby approved, confirmed and ratified.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board or person(s) as authorized by the Board be and are hereby authorised to finalize, settle and execute such documents/deeds/writings/papers/agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise to give effect to this resolution.”

**Item No. 8: Issue and allotment of Equity Shares on conversion of un-secured loan to Wilson Holdings Private Limited, Promoter of the Company.**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 42, Section 62, and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with the relevant Rules made thereunder (including any statutory modification or

re-enactment thereof, for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and in accordance with the provisions on preferential issue as contained in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, (“SEBI ICDR Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), and other applicable regulations of Securities and Exchange Board of India (SEBI), if any, as may be applicable, other applicable rules, notifications, guidelines, regulations issued by various authorities including but not limited to Government of India, SEBI, Reserve Bank of India (RBI), BSE and any other competent authorities and subject to the approval(s), consent(s), permission(s) and/ or sanction(s), if any, of Reserve Bank of India or of any statutory/regulatory authorities, Stock Exchange(s), Securities and Exchange Board of India (“SEBI”), institutions or bodies, as may be required and subject to such terms and condition(s), alteration(s), correction(s), change(s) and/or modification(s) as may be prescribed by any of them while granting such consent(s), permission(s) or approval(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which terms shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its power including the 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, consent of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot on preferential basis, in one or more tranches, to Wilson Holdings Private Limited (formerly known as ‘Truvalue Agro Ventures Private Limited), Promoter of the Company (“Promoter”) up to maximum of 925,427 (Nine Lakhs Twenty-five Thousand Four Hundred and Twenty-seven only) Equity Shares of face value of Rs.10/- (Rupees Ten Only) each, fully paid up, at an issue price of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share including premium of Rs.101.30 (Rupees One Hundred and One and Thirty paise only) per Equity Share, which is in compliance with the provision of Chapter V of SEBI (ICDR) Regulations, aggregating upto Rs.10.30 Crores (Rupees Ten Crore and Thirty Lakhs only) upon the conversion of unsecured loan outstanding as on date.

**RESOLVED FURTHER THAT** the "Relevant Date" as per SEBI ICDR Regulations for the purpose of determining the minimum issue price for the issue of equity shares arising on conversion of unsecured loan is August 21, 2020 as August 22, 2020, the date 30 days prior to the date of passing of special resolution by the shareholders at proposed AGM i.e. September 21, 2020, is weekend and hence August 21, 2020 being the day preceding the weekend days shall be considered as the Relevant Date.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the issue of Equity Shares shall be subject to following terms:

- I. The said Equity Shares shall be issued and allotted by the Company to Promoter within a period of 15 (Fifteen) days from the date of passing of this resolution provided that where the allotment of the said Equity Shares is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 (Fifteen) days from the date of such approval.
- II. The Equity Shares to be so allotted shall be in dematerialised form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company, and shall rank pari-passu in all respects including dividend, with the existing Equity Shares of the Company.
- III. In accordance with the provisions Chapter V of SEBI ICDR Regulations, the pre-preferential allotment shareholding of the Promoter shall be locked-in for a period of six (6) months from the date of trading approval.
- IV. The Equity Shares to be allotted shall be subject to a lock-in for such period as specified under Chapter V of SEBI ICDR Regulations relating to Preferential Issues.

**RESOLVED FURTHER THAT** the monies to be received by the Company from the Proposed Allottees towards application for subscribing to the Equity Shares pursuant to this Preferential Allotment shall be kept by the Company in a separate bank account opened by the Company and shall be utilised by the Company in accordance with Section 42 of the Companies Act."

**RESOLVED FURTHER THAT** all or any of the powers conferred on the Company and the Board of Directors vide this Resolution may be exercised by the Board or any Committee

of the Board (with power to delegate to any Officer of the Company), as the Board or any Committee, for the purpose of giving effect to this Resolution, may in its absolute discretion deem necessary, desirable or expedient, including the Listing Application to the Stock Exchange(s), making application to Reserve Bank of India seeking prior approval for the change in shareholding, if any, filing of requisite forms with Registrar of Companies and to resolve and settle any questions and difficulties that may arise in the proposed offer, issue and allotment of aforesaid securities, utilization of issue proceeds, signing of all deeds and documents as may be required and to do all acts, deeds and things in connection therewith and incidental thereto without being required to seek any further consent or approval of the Members of the Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

**Item No. 9: Issuance of Compulsorily Convertible Debentures on Preferential Basis to Wilson Holdings Private Limited, Promoter of the Company.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 23, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any amendments, statutory modification(s) or re-enactment thereof for the time being in force), the memorandum and articles of association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), as amended, and such statutes, rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India, SEBI, the Reserve Bank of India, BSE and any other competent authorities and subject to necessary compliance(s) in accordance with all other applicable laws, rules, regulations, circulars and guidelines and also subject to such further approvals, permissions, sanctions and consents as may be necessary and required from respective authorities prescribed thereunder, and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated under such approvals, permissions, sanctions, and consents as the case

may be) which may be accepted by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any duly constituted or to be constituted and authorized committee thereof to exercise its powers under the resolution), consent of the Members of the Company be and is hereby accorded to create, offer, issue and allot, to Wilson Holdings Private Limited (formerly known as 'Truvalue Agro Ventures Private Limited), Promoter of the Company ("Promoter"), by way of preferential allotment on private placement basis, up to 40,43,127 (Forty Lakh Forty-Three Thousand and One Hundred and Twenty-Seven Only) unsecured compulsorily convertible debentures of the Company ("CCDs") having a face value of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) for an aggregate amount of upto Rs. 45.00 Crores (Rupees Forty-Five Crores Only) for cash at par, with right to the CCD holder to apply for & convert and be allotted 1 (one) Equity Share of face value Rs.10 each of the Company for each CCD within a period of 18 months from the date of allotment of CCDs, ("Conversion Shares") at a conversion price of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share including premium of Rs.101.30 (Rupees One Hundred and One and Thirty paise only) per Equity Share which is in compliance with the provision of Chapter V of SEBI (ICDR) Regulations.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to offer, issue and allot requisite number of equity shares, not exceeding 40,43,127 (Forty Lakh Forty-Three Thousand and One Hundred and Twenty-Seven Only) Equity Shares, to the Promoter upon conversion of the CCDs.

**RESOLVED FURTHER THAT** the "Relevant Date" as per SEBI ICDR Regulations for the purpose of determining the minimum issue price for the issue of equity shares arising on conversion of CCDs is August 21, 2020 as August 22, 2020, the date 30 days prior to the date of passing of special resolution by the shareholders at proposed AGM i.e. September 21, 2020, is weekend and hence August 21, 2020 being the day preceding the weekend days shall be considered as the Relevant Date.

**RESOLVED FURTHER THAT** the said CCDs shall be issued and allotted by the Company to the Promoter within a period of 15 (fifteen) days from the date of passing of this resolution provided that where the allotment of the said CCDs is pending on account of pendency of any approval(s) for such allotment

by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 (fifteen) days from the date of last such approval.

**RESOLVED FURTHER THAT** the CCDs being offered, issued and allotted to the Promoter by way of a preferential allotment shall inter alia be on the following terms:

- i. The CCDs and the equity shares issued upon conversion of the CCDs, shall be in dematerialised form and shall be subject to the provisions of the memorandum and articles of association of the Company.
- ii. The CCDs and equity shares to be issued upon conversion of the CCDs shall be subject to lock-in requirements as provided under the provisions of the SEBI ICDR Regulations. Subject to the aforesaid lock-in requirements, the CCDs and equity shares issued upon conversion of the CCDs shall be freely transferable. In accordance with the provisions Chapter V of SEBI ICDR Regulations, the pre-preferential allotment shareholding of the Promoter shall be locked-in for a period of six (6) months from the date of trading approval.
- iii. The CCDs shall be unsecured.
- iv. The CCDs shall carry a coupon of 2% (Two percent) simple interest per annum calculated on the basis of a 365 (three hundred sixty-five) day year and the actual number of days elapsed. The interest accrued on the CCDs shall be paid within 2 (two) business days after the end of every quarter of a financial year.
- v. Any interest payments made to the Promoter shall be made free and including premium of Rs.101.30 (Rupees One Hundred and One and Thirty paise only) per Equity Share clear of, and without withholding or deduction for any tax unless the Company is required to make such a withholding or deduction under applicable law.
- vi. The CCDs, if the Promoter chooses, shall be converted into equity shares on the earlier of following events:
  - a. Promoter electing to convert the CCDs into Equity Shares by issuing a conversion notice to the Company; and
  - b. The last date falling within 18 (eighteen) months from the allotment of CCDs ("Conversion Date") provided that all compulsorily convertible debentures issued on the closing date of the investment shall mandatorily convert simultaneously.
- vii. The CCDs shall be compulsorily convertible into equity shares upon the expiry of the Conversion Date. On the



Conversion Date, each CCD shall convert into 1 (one) equity share, as adjusted for any Adjustment Events in accordance with Paragraph (ix) below ("Conversion Share").

- viii. An "Adjustment Event" shall mean any: (i) issue of new Equity Shares or other securities convertible into Equity Shares by the Company by way of capitalization of profits or reserves; (ii) bonus issue of Equity Shares; (iii) consolidation, reclassification, sub-division, share split, combination or reduction of the equity share capital or other analogous adjustment relating to the equity share capital by the Company (or any shares or stocks derived therefrom); or (iv) amalgamation, merger, reconstruction or other reorganisation affecting the share capital by the Company (or any shares or stock derived therefrom). Upon the occurrence of an Adjustment Event, the number of Conversion Shares that a CCD converts into shall automatically be proportionally adjusted to reflect the effect of such Adjustment Event on the Equity Shares or other securities convertible into Equity Shares.
- ix. Conversion: The Promoter shall not be required to issue any conversion notice to the Company in order to effect a conversion of CCDs on the Conversion Date. The conversion of the CCDs will be automatic without any further act on the part of the Promoter. The Promoter shall deliver the debenture certificate, if any, representing the CCDs to the Company on the Conversion Date; provided, however, that failure to hand over the debenture certificate, if any, shall not prejudice the conversion of the CCDs on the Conversion Date. On the Conversion Date, the Company shall, at its expense, cause the Conversion Shares to be credited to the relevant Demat Account and make the relevant filings with the governmental authorities under applicable law.
- x. The CCD holder will have a right to apply for & convert and be allotted 1 (one) Equity Share of face value Rs.10 each of the Company for each CCD within a period of 18 months from the date of allotment of CCDs at a conversion price of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share, which is in compliance with the provision of Chapter V of SEBI (ICDR) Regulations. The Company shall accordingly issue and allot the corresponding number of fully paid up Equity Shares of Rs.10 each to the CCD holder.
- xi. The Company shall procure the listing and trading approvals for the Equity Shares to be issued and allotted to the Promoter upon conversion of CCDs from the

relevant stock exchanges and will ensure that same are received from the relevant stock exchanges in accordance with the SEBI ICDR Regulations.

- xii. The Equity Shares issued to the Promoter on conversion of CCDs shall rank pari-passu with the then existing Equity Shares of the Company in all respects, including as to dividend and in the event of liquidation, as may be permissible under the applicable laws.
- xiii. The CCDs shall rank pari-passu with other series of compulsorily convertible debentures (if any) in respect of payment of coupon and in the event of liquidation, as may be permissible under the applicable laws.
- xiv. An amount equivalent to 100% of the CCD Issue Price i.e. Rs.111.30 per CCD, shall be payable at the time of subscription and allotment of each CCD.
- xv. The CCDs by themselves, until exercise of the conversion option and allotment of Equity Shares, do not give the CCD holder thereof any rights akin to that of shareholder(s) of the Company;

**RESOLVED FURTHER THAT,** the Board be and is hereby authorized to, do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable to give effect to the above resolutions, including but not limited to execution of various deeds, documents, writings, agreements, and also to modify, accept and give effect to any modifications therein and the terms and conditions of the issue, as may be required by the statutory, regulatory and other appropriate authorities and to settle all queries or doubts that may arise in the proposed issue of CCDs, to issue and allot Equity Shares upon conversion of the CCDs, to issue certificates/clarifications on the issue and allotment of CCDs and thereafter Equity Shares further to the conversion of CCDs, effecting any modifications to the foregoing (including to determine, vary, modify or alter any of the terms and conditions of the CCDs including deciding the size and timing of any tranche of the CCDs), entering into contracts, arrangements, agreements, memoranda, documents to give effect to the resolutions above (including for appointment of agencies, consultants, intermediaries and advisors for managing issuance of CCDs and listing and trading of Equity Shares issued on conversion of CCDs), including making applications to Stock Exchanges for obtaining of in-principle approval, filing of requisite documents with the Registrar of Companies, National Securities Depository Limited (NSDL),

Central Depository Services (India) Limited (CDSL) and/ or such other authorities as may be necessary for the purpose, seeking approvals from lenders (where applicable), to take all steps as may be necessary for the admission of the CCDs and Equity Shares (to be issued on conversion of the CCDs) with the depositories, viz. NSDL and CDSL and for the credit of such CCDs to the respective dematerialized securities account of the proposed allottees, and to delegate all or any of the powers conferred by the aforesaid resolutions on it to any committee of directors or any director(s) or officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the above resolutions and also to initiate all necessary actions for and to settle all questions, difficulties, disputes or doubts whatsoever that may arise, including without limitation in connection with the issue and utilization of proceeds thereof, and take all steps and decisions in this regard, without being required to seek any further consent or approval of the Members.

**Item No. 10: Issuance of Compulsorily Convertible Debentures on Preferential Basis to Turning Leaf Fund I Pte. Ltd. ("Investor")**

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

**"RESOLVED THAT** pursuant to the provisions of Section 23, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and rules made there under (including any amendments, statutory modification(s) or re-enactment thereof for the time being in force), the memorandum and articles of association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), the Foreign Exchange Management Act, 1999, as amended, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended, and such statutes, rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India, SEBI, the Foreign Investment Promotion Board, the Reserve Bank of India, BSE and any other competent authority and subject to necessary

compliance(s) in accordance with all other applicable laws, rules, regulations, circulars and guidelines and also subject to such further approvals, permissions, sanctions and consents as may be necessary and required from respective authorities prescribed thereunder, and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated under such approvals, permissions, sanctions, and consents as the case may be) which may be accepted by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any duly constituted or to be constituted and authorized committee thereof to exercise its powers under the resolution), consent of the Members of the Company be and is hereby accorded to create, offer, issue and allot, to Turning Leaf Fund I Pte. Ltd. ("Investor"), by way of preferential allotment on private placement basis, upto 58,04,133 (Fifty-eight Lakh Four Thousand One Hundred and Thirty-Three Only) unsecured compulsorily convertible debentures of the Company ("CCDs") having a face value of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) for an aggregate amount of upto Rs. 64.60 (Rupees Sixty-Four Crore Sixty Lakh Only) for cash at par, with right to the CCD holder to apply for & convert and be allotted 1 (one) Equity Share of face value Rs.10 each of the Company for each CCD within a period of 18 months from the date of allotment of CCDs, ("Conversion Shares") at a conversion price of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share including premium of Rs.101.30 (Rupees One Hundred and One and Thirty paise only) per Equity Share the price in compliance with the provision of Chapter V of SEBI (ICDR) Regulations.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to offer, issue and allot requisite number of equity shares, not exceeding 58,04,133 (Fifty-eight Lakh Four Thousand One Hundred and Thirty-Three Only) equity shares, to the Investor upon conversion of the CCDs.

**RESOLVED FURTHER THAT** the "Relevant Date" as per SEBI ICDR Regulations for the purpose of determining the minimum issue price for the issue of equity shares arising on conversion of CCDs is August 21, 2020 as August 22, 2020, the date 30 days prior to the date of passing of special resolution by the shareholders at proposed AGM i.e. September 21, 2020, is weekend and hence August 21, 2020 being the day preceding the weekend days shall be considered as the Relevant Date.

**RESOLVED FURTHER THAT** the said CCDs shall be issued and allotted by the Company to the Investor within a period of 15 (fifteen) days from the date of passing of this resolution provided that where the allotment of the said CCDs is pending on account of pendency of any approval(s) for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 (fifteen) days from the date of last such approval.

**RESOLVED FURTHER THAT** the CCDs being offered, issued and allotted to the Investor by way of a preferential allotment shall inter alia be on the following terms:

- i. The CCDs and the equity shares issued upon conversion of the CCDs, shall be in dematerialised form and shall be subject to the provisions of the memorandum and articles of association of the Company.
- ii. The CCDs and equity shares issued upon conversion of the CCDs shall be subject to lock-in requirements as provided under the provisions of the SEBI ICDR Regulations. Subject to the aforesaid lock-in requirements, the CCDs and equity shares issued upon conversion of the CCDs shall be freely transferable.
- iii. The CCDs shall be unsecured.
- iv. The CCDs shall carry a coupon of 2% (Two percent) simple interest per annum calculated on the basis of a 365 (three hundred sixty-five) day year and the actual number of days elapsed. The interest accrued on the CCDs shall be paid within 2 (two) business days after the end of every quarter of a financial year.
- v. Any interest payments made to the Investor shall be made free and including premium of Rs.101.30 (Rupees One Hundred and One and Thirty paise only) per Equity Share clear of, and without withholding or deduction for any tax unless the Company is required to make such a withholding or deduction under applicable law.
- vi. The CCDs, if the Investor chooses, shall be converted into equity shares on the earlier of following events:
  - a. Investor electing to convert the CCDs into Equity Shares by issuing a conversion notice to the Company; and
- ii. The last date falling within 18 (eighteen) months from the allotment of CCDs. ("Conversion Date") provided that all compulsorily convertible debentures issued on the

closing date of the investment shall mandatorily convert simultaneously

- vii. The CCDs shall be compulsorily convertible into equity shares upon the expiry of the Conversion Date. On the Conversion Date, each CCD shall convert into 1 (one) equity share, as adjusted for any Adjustment Events in accordance with Paragraph (ix) below ("Conversion Share").
- viii. An "Adjustment Event" shall mean any: (i) issue of new Equity Shares or other securities convertible into Equity Shares by the Company by way of capitalization of profits or reserves; (ii) bonus issue of Equity Shares; (iii) consolidation, reclassification, sub-division, share split, combination or reduction of the equity share capital or other analogous adjustment relating to the equity share capital by the Company (or any shares or stocks derived therefrom); or (iv) amalgamation, merger, reconstruction or other reorganisation affecting the share capital by the Company (or any shares or stock derived therefrom). Upon the occurrence of an Adjustment Event, the number of Conversion Shares that a CCD converts into shall automatically be proportionally adjusted to reflect the effect of such Adjustment Event on the Equity Shares or other securities convertible into Equity Shares.
- ix. Conversion: The Investor shall not be required to issue any conversion notice to the Company in order to effect a conversion of CCDs on the Conversion Date. The conversion of the CCDs will be automatic without any further act on the part of the Investor. The Investor shall deliver the debenture certificate, if any, representing the CCDs to the Company on the Conversion Date; provided, however, that failure to hand over the debenture certificate, if any, shall not prejudice the conversion of the CCDs on the Conversion Date. On the Conversion Date, the Company shall, at its expense, cause the Conversion Shares to be credited to the relevant Demat Account and make the relevant filings with the governmental authorities under applicable law
- x. The CCD holder will have a right to apply for & convert and be allotted 1 (one) Equity Share of face value Rs.10 each of the Company for each CCD within a period of 18 months from the date of allotment of CCDs at a conversion price of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share, which is in compliance with the provision of Chapter V of SEBI (ICDR) Regulations. The Company shall accordingly issue



and allot the corresponding number of fully paid up Equity Shares of Rs.10 each to the CCD holder.

- xi. The Company shall procure the listing and trading approvals for the Equity Shares to be issued and allotted to the Investor upon conversion of CCDs from the relevant stock exchanges and will ensure that same are received from the relevant stock exchanges in accordance with the SEBI ICDR Regulations.
- xii. The Equity Shares issued to the Investor on conversion of CCDs shall rank pari-passu with the then existing Equity Shares of the Company in all respects, including as to dividend and in the event of liquidation, as may be permissible under the applicable laws.
- xiii. The CCDs shall rank pari-passu with other series of compulsorily convertible debentures (if any) in respect of payment of coupon and in the event of liquidation, as may be permissible under the applicable laws.
- xiv. An amount equivalent to 100% of the CCD Issue Price i.e. Rs.111.30 per CCD, shall be payable at the time of subscription and allotment of each CCD.
- xv. The CCDs by themselves, until exercise of the conversion option and allotment of Equity Shares, do not give the CCD holder thereof any rights akin to that of shareholder(s) of the Company;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to, do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable to give effect to the above resolutions, including but not limited to execution of various deeds, documents, writings, agreements, and also to modify, accept and give effect to any modifications therein and the terms and conditions of the issue, as may be required by the statutory, regulatory and other appropriate authorities and to settle all queries or doubts that may arise in the proposed issue of CCDs, to issue and allot Equity Shares upon conversion of the CCDs, to issue certificates/clarifications on the issue and allotment of CCDs and thereafter Equity Shares further to the conversion of CCDs, effecting any modifications to the foregoing (including to determine, vary, modify or alter any of the terms and conditions of the CCDs including deciding the size and timing of any tranche of the CCDs), entering into contracts, arrangements, agreements, memoranda, documents to give effect to the resolutions above (including for appointment of agencies, consultants, intermediaries and advisors for managing issuance of CCDs and listing and trading of Equity Shares issued on conversion of CCDs), including making

applications to Stock Exchanges for obtaining of in-principle approval, filing of requisite documents with the Registrar of Companies, National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and/ or such other authorities as may be necessary for the purpose, seeking approvals from lenders (where applicable), to take all steps as may be necessary for the admission of the CCDs and Equity Shares (to be issued on conversion of the CCDs) with the depositories, viz. NSDL and CDSL and for the credit of such CCDs to the respective dematerialized securities account of the Investor, and to delegate all or any of the powers conferred by the aforesaid resolutions on it to any committee of directors or any director(s) or officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the above resolutions and also to initiate all necessary actions for and to settle all questions, difficulties, disputes or doubts whatsoever that may arise, including without limitation in connection with the issue and utilization of proceeds thereof, and take all steps and decisions in this regard, without being required to seek any further consent or approval of the Members.

**Item No. 11: Issuance of Convertible Warrants on preferential basis to the Promoter and Promoter Group members of the Company and Key Managerial Personnel of the Group ("Public").**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 62, 42 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the relevant Rules made thereunder (including any statutory modification or re-enactment thereof, for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and in accordance with the provisions on preferential issue as contained in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, ("SEBI ICDR Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and other applicable regulations of Securities and Exchange Board of India (SEBI), if any, as may be applicable, other applicable rules, notifications, guidelines,

regulations issued by various authorities including but not limited to Government of India, SEBI, Reserve Bank of India (RBI), BSE and any other competent authorities and subject to the approval(s), consent(s), permission(s) and/ or sanction(s), if any, of Reserve Bank of India or of any statutory/regulatory authorities, Stock Exchange(s), Securities and Exchange Board of India ("SEBI"), institutions or bodies, as may be required and subject to such terms and condition(s), alteration(s), correction(s), change(s) and/or modification(s) as may be prescribed by any of them while granting such consent(s), permission(s) or approval(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'the Board' which terms shall include any duly authorised Committee of the Board), and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, consent of the Members

of the Company be and is hereby accorded to the Board to create, offer, issue and allot up to 17,96,946 (Seventeen Lakh Ninety-Six Thousand Nine Hundred and Forty-Six Only) Convertible Warrants having face value of Rs.111.30 (One Hundred and Eleven Only) per warrant, for an aggregate amount not exceeding Rs.20.00 Crore (Rupees Twenty Crores), for cash at par, with right to the Warrant holder to apply for & convert and be allotted 1 (one) Equity Share of face value Rs.10 each of the Company for each Warrant within a period of 18 months from the date of allotment of Warrants at a conversion price of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share including premium of Rs.101.30 (Rupees One Hundred and One and Thirty paise only) per Equity Share the price in compliance with the provision of Chapter V of SEBI (ICDR) Regulations,, to following promoter and non-promoter (being KMPs) individual/entities, as per details given below:

No	Investor Name	Category	No of Warrants	Amount
1	Wilson Holdings Private Limited	Promoter	449237	INR 5 crore (Upfront: 1.25 Crore)
2	Mrs. Minaxi Mehta	Promoter Group	449236	INR 5 crore

				(Upfront: 1.25 Crore)
3	Rohanjeet Singh Juneja	Public (KMP)	359389	INR 4 crore (Upfront: 1 Crore)
4	Karan Neale Desai	Public (KMP)	359389	INR 4 crore (Upfront: 1 Crore)
5	Elios Advisors LLP	Public	179695	INR 2 crore (Upfront: 50 Lakhs)
	Total		1796946	INR 20 crore (Upfront: 5 Crore)

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to offer, issue and allot requisite number of equity shares, not exceeding 17,96,946 (Seventeen Lakh Ninety-Six Thousand Nine Hundred and Forty-Six Only) Equity Shares, to the holders of Warrants upon conversion of the Warrants.

**RESOLVED FURTHER THAT** the "Relevant Date" as per SEBI ICDR Regulations for the purpose of determining the minimum issue price for the issue of equity shares arising on conversion of Warrants is August 21, 2020 as August 22, 2020, the date 30 days prior to the date of passing of special resolution by the shareholders at proposed AGM i.e. September 21, 2020, is weekend and hence August 21, 2020 being the day preceding the weekend days shall be considered as the Relevant Date.

**"RESOLVED FURTHER THAT** the issue of the Warrants shall be on the following terms & conditions:

1. That Warrants shall be issued and allotted by the Company to Proposed Allottees within a period of 15 (Fifteen) days from the date of passing of this resolution provided that where the allotment of the said Equity Shares is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government,

the allotment shall be completed within a period of 15 (Fifteen) days from the date of such approval.

2. The Warrants And the Equity Shares to be so allotted on conversion of warrants shall be in dematerialised form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company, and shall rank pari passu in all respects including dividend, with the existing Equity Shares of the Company.
3. In accordance with the provisions Chapter V of SEBI ICDR Regulations, the pre-preferential allotment shareholding of the Proposed Allottee shall be locked-in for a period of six (6) months from the date of allotment of Warrants.
4. The Warrants and equity shares issued upon conversion of the Warrants shall be subject to lock-in as provided under the provisions of the SEBI ICDR Regulations. Subject to the aforesaid lock-in requirements, the Warrants and equity shares issued upon conversion of the Warrants shall be freely transferable.
5. The price at which the Warrants will be converted into Equity Shares has been determined in accordance with provisions of Chapter V of SEBI ICDR Regulations;
6. The Warrant Holder to apply for and get allotted one (1) Equity Share of the face value of Rs.10/- each fully paid-up against every Warrant held (hereinafter referred to as the "Warrants"), within a period of eighteen (18) months from the date of allotment of Warrants;
7. A Warrant subscription price equivalent to 25% (i.e. the upfront amount) of the issue price will be payable at the time of subscription to the Warrants, as prescribed in Regulation 169 of the SEBI (ICDR) Regulations, which will be kept by the Company to be adjusted and appropriated against the issue price of the Equity Shares. A Warrant exercise price equivalent to the 75% of the conversion price of the Equity Shares shall be payable by the Warrant holder(s) at the time of exercising of conversion options of the Warrants;
8. In accordance with the provisions of Regulation 162 of SEBI ICDR Regulations, the tenure of Warrants shall not exceed eighteen (18) months from the date of allotment;
9. The Warrant Holder shall be entitled to exercise any or all of the warrants in one or more tranches by way of a written notice to the Company, specifying the number of warrants proposed to be exercised along with the aggregate amount thereon, without any further

approval from the shareholders prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of shares to the Warrant Holders;

10. If the entitlement against the Warrants to apply for Equity Share is not exercised within the aforesaid period of eighteen (18) months, the entitlement of the Warrant holder to apply for equity shares of the Company along with the rights attached thereto shall expire.

**RESOLVED FURTHER THAT** the equity shares allotted on exercise of Warrants shall rank pari-passu in all respects (including as to entitlement to voting powers and dividend) with the then existing fully paid-up equity shares of face value of Rs.10/- each of the Company.

**RESOLVED FURTHER THAT,** the Board be and is hereby authorized to, do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable to give effect to the above resolution, including but not limited to execution of various deeds, documents, writings, agreements, and also to modify, accept and give effect to any modifications therein and the terms and conditions of the issue, as may be required by the statutory, regulatory and other appropriate authorities and to settle all queries or doubts that may arise in the proposed issue of Warrants, to issue and allot Equity Shares upon conversion of the Warrants, to issue certificates/clarifications on the issue and allotment of Warrants and thereafter Equity Shares further to the conversion of Warrants, effecting any modifications to the foregoing (including to determine, vary, modify or alter any of the terms and conditions of the Warrants including deciding the size and timing of any tranche of the Warrants), entering into contracts, arrangements, agreements, memoranda, documents to give effect to the resolutions above (including for appointment of agencies, consultants, intermediaries and advisors for managing issuance of Warrants and listing and trading of Equity Shares issued on conversion of Warrants), including making applications to Stock Exchanges for obtaining of in-principle approval, filing of requisite documents with the Registrar of Companies, National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and/ or such other authorities as may be necessary for the purpose, seeking approvals from lenders (where applicable), to take all steps as may be

necessary for the admission of the Warrants and Equity Shares (to be issued on conversion of the Warrants) with the depositories, viz. NSDL and CDSL and for the credit of such Warrants to the respective dematerialized securities account of the Proposed Allottees, and to delegate all or any of the powers conferred by the aforesaid resolutions on it to any committee of directors or any director(s) or officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the above resolutions and also to initiate all necessary actions for and to settle all questions, difficulties, disputes or doubts whatsoever that may arise, including without limitation in connection with the issue and utilization of proceeds thereof, and take all steps and decisions in this regard, without being required to seek any further consent or approval of the Members.

**Item No. 12: Amendment Amendments to the Articles of Association of the Company.**

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

**“RESOLVED THAT** pursuant to (a) the provisions of Section 5, Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof and the rules framed thereunder); (b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof); and (c) the terms contained in the Amended Shareholders’ Agreement dated August 07, 2020 amongst the Company, Wilson Holdings Private Limited (Promoter of the Company’) and Turning Leaf Fund I Pte. Ltd., the approval of the members be and is hereby accorded to amend the existing Articles of Association of the Company (“Existing Articles”) by dividing the Articles of Association in to two Parts, Part A – comprising of Existing Articles from Articles 1-97 and Part B - comprising of the provisions of the Amended Shareholders’ Agreement from Articles 98 – 132 and inserting the following provisions:

**Preliminary**

These Articles are divided into Part A (comprising of Articles 1 – 97) and Part B (comprising of Articles 98 – 132). Notwithstanding anything to the contrary contained in Part A of these Articles, in the event of any conflict between the

provisions of Part A and Part B, the provisions of Part B shall prevail, supersede and override the provisions of Part A. In the event of any ambiguity in this regard, these Articles shall be interpreted so as to give full effect to the intent contained in the preceding sentence.

Part B (comprising of Articles 98 – 132) as per the restated Articles of Association annexed to this Notice as Annexure I.

**RESOLVED FURTHER THAT** the approval of the Members is hereby granted for incorporating the entrenchment provisions in the existing articles in accordance with the applicable provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (“Board”) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient and to execute all such documents, instruments and writings as may be required, to give effect to this resolution and the Board may, by a resolution, delegate the aforementioned powers to any Director(s) or any other officer(s) of the Company on such conditions as the Board may deem fit.”

**Item No. 13: Appointment of Mr. Rohanjeet Singh Juneja (DIN:08342094) as the Joint Managing Director**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the appointment of Mr. Rohanjeet Singh Juneja (DIN: 08342094) as the Joint Managing Director of the Company for a period of three (3) years with effect from December 17, 2019 and upon the following terms and conditions mentioned in Point I to III below which includes remuneration, and with further liberty to the Board of

Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee constituted / to be constituted by the Board) to alter the said terms and conditions of appointment and remuneration of Mr. Rohanjeet Singh Juneja from time to time in the best interests and in accordance with the policy of the Company and as may be permissible at law:

I. Period: The period of appointment is three (3) years with effect from December 17, 2019 up to December 17, 2022 with the liberty to either party to terminate the appointment on three months’ notice in writing to the other.

II. Details of Fixed Remuneration, benefits and other terms & conditions Other benefits:

S No.	Remuneration per annum	(Amount in Rs.)
1	Basic	3,000,000
2	House Rent Allowance	1,500,000
3	Special Allowance	2,340,000
4	Employer's PF Contribution	360,000
5	Contribution to NPS	300,000
	Gross Salary	7,500,000

1. Gratuity as per the Payment of Gratuity Act, 1972;
2. Personal Accident Insurance as per the policy of the Company;
3. Term Life Insurance, medical and health related benefits and Insurance as per Company policy;
4. Leave and encashment of leave as per the policy of the Company.

Other terms and conditions:

1. Annual remuneration review is effective April 01 each year, as per the policy of the Company; The Nomination and Remuneration Committee (“NRC”) of the Board will review and recommend the remuneration payable to the Joint Managing Director during the tenure of his appointment;
2. The aggregate of the fixed remuneration and perquisites as aforesaid in any financial year during his tenure shall not exceed Rs.1,50,00,000 per annum and shall be within the limit as prescribed under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory

modification or re-enactment thereof for the time being in force;

3. When in any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Mr. Rohanjeet Singh Juneja in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of the Central Government, if required;

4. Mr. Rohanjeet Singh Juneja shall not be subject to retirement by rotation during his tenure as the Joint Managing Director of the Company, except in special circumstances to ensure compliance with applicable provisions of the Act;

5. Mr. Rohanjeet Singh Juneja shall not be paid any fees for attending the meetings of the Board or any Committee(s) thereof of the Board.

III. Variable Payment & Incentive: Mr. Rohanjeet Singh Juneja will be eligible for the performance related variable bonus as and when recommended by the NRC / Board in line with the performance of the employee and the Company subject to a maximum ceiling of 50% of Salary for respective year per annum. He will also be eligible for the grant of Employee Stock Options as may be decided by the NRC / Board. Any other allowances, benefits and perquisites as per the Rules applicable to the Senior Executives of the Company and / or which may become applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to revise the remuneration payable to Mr. Rohanjeet Singh Juneja during his tenure as Joint Managing Director of the Company from time to time, subject however to the maximum fixed remuneration of Rs.1,50,00,000 per annum and maximum variable payment of 50% of Salary per annum subject to the overall compliance of the ceiling as prescribed under Section 197 read with Schedule V of the Act and rules made thereunder.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of net profits of the Company in any financial year, the payment of remuneration to Mr. Rohanjeet Singh Juneja shall be governed by Section II of Part II of Schedule V of the



Act and rules made thereunder, as amended from time to time.”

**Item No. 14: Re-designation of Mr. Karan Neale Desai (DIN: 05285546) as the Joint Managing Director**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the re-designation of Mr. Karan Neale Desai (DIN:05285546) as the Joint Managing Director of the Company for a period of three (3) years with effect from original date of his appointment August 11, 2018 on the following terms and conditions mentioned in Point I to III below which includes remuneration, and with further liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee constituted / to be constituted by the Board) to alter the said terms and conditions of appointment and remuneration of Mr. Karan Neale Desai from time to time in the best interests and in accordance with the policy of the Company and as may be permissible at law:

I. Period: The period of appointment is three (3) years with effect from August 11, 2018 up to August 10, 2021 with the liberty to either party to terminate the appointment on three months’ notice in writing to the other.

II. Details of Fixed Remuneration, benefits and other terms & conditions Other benefits:

S No.	Remuneration per annum	(Amount in Rs.)
1	Basic	3,000,000
2	House Rent Allowance	1,500,000
3	Special Allowance	2,640,000

4	Employer's PF Contribution	360,000
	Gross Salary	7,500,000

1. Gratuity as per the Payment of Gratuity Act, 1972;
2. Personal Accident Insurance as per the policy of the Company;
3. Term Life Insurance, medical and health related benefits and Insurance as per Company policy;
4. Leave and encashment of leave as per the policy of the Company.

Other terms and conditions:

1. Annual remuneration review is effective April 01 each year, as per the policy of the Company; The Nomination and Remuneration Committee (“NRC”) of the Board will review and recommend the remuneration payable to the Joint Managing Director during the tenure of his appointment;
2. The aggregate of the fixed remuneration and perquisites as aforesaid in any financial year during his tenure shall not exceed Rs.1,50,00,000 per annum and shall be within the limit as prescribed under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification or re-enactment thereof for the time being in force;
3. When in any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Mr. Karan Neale Desai in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of the Central Government, if required;
4. Mr. Karan Neale Desai shall not be subject to retirement by rotation during his tenure as the Joint Managing Director of the Company, except in special circumstances to ensure compliance with applicable provisions of the Act;
5. Mr. Karan Neale Desai shall not be paid any fees for attending the meetings of the Board or any Committee(s) thereof of the Board.

III. Variable Payment & Incentive: Mr. Karan Neale Desai will be eligible for the performance related variable bonus as and when recommended by the NRC / Board in line with the performance of the employee and the Company subject to a maximum ceiling of 50% of Salary for respective year per annum. He will also be eligible for the grant of Employee Stock

Options as may be decided by the NRC / Board. Any other allowances, benefits and perquisites as per the Rules applicable to the Senior Executives of the Company and / or which may become applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to revise the remuneration payable to Mr. Karan Neale Desai during his tenure as Joint Managing Director of the Company from time to time, subject however to the maximum fixed remuneration of Rs.1,50,00,000 per annum and maximum variable payment of 50% of Salary per annum subject to the overall compliance of the ceiling as prescribed under Section 197 read with Schedule V of the Act and rules made thereunder.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of net profits of the Company in any financial year, the payment of remuneration to Mr. Karan Neale Desai shall be governed by Section II of Part II of Schedule V of the Act and rules made thereunder, as amended from time to time.”

**By Order of the Board of Directors  
For Dhanvarsha Finvest Limited**

Sd/-

August 22, 2020  
Mumbai

**Fredrick Pinto  
Company Secretary  
ACS-22085**

**NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules") setting out material facts relating to the proposed Special Resolutions is annexed hereto.
2. This Notice is being sent to the Members whose names appear in the list of beneficial owners received from National Securities Depository Limited/ Central Depository Services (India) Limited ("Depositories") as at the close of business hours on Friday, August 21, 2020 ("cut-off date"). The Remote E-Voting Cut-Off date is September 14, 2020. Members as on the cut-off date for Remote E-Voting would be entitled to vote by way of remote e-voting and a person who is not a Member as on the cut-off date should treat this Notice for information purposes only. This Notice is being sent electronically to all Members whose e-mail addresses are registered with MCS Share Transfer Agent Limited, Registrar and Share Transfer Agents ('RTA') of the Company or the Depositories.
3. For Members whose e-mail addresses are not registered but mobile numbers are registered with RTA/Depositories Shareholders may note that the AGM Notice and Annual Report 2019-20 will also be available on the Company's website [www.dfltd.com](http://www.dfltd.com), website of the Stock Exchange i.e. BSE Limited and on the website of CDSL <https://www.evotingindia.com>.
4. Due to non-availability of postal and courier services, on account of threat posed by COVID-19 pandemic situation, the Company is sending Notice in electronic form only and express its inability to dispatch hard copy of Notice along with Postal Ballot Form and pre-paid business reply envelope to the Members. To facilitate such members to receive this notice electronically and cast their vote electronically, the Company has made special arrangement for registration of email addresses in terms of the MCA Circulars. The process for registration of email address is as under:
  - a. For voting on the Resolution(s) proposed in the Notice through remote e-voting, Members who have not registered their e-mail address and in consequence could not receive the Notice may get their e-mail address registered with the RTA by writing to [subodh@mcsregistrars.com](mailto:subodh@mcsregistrars.com) with the subject "Dhanvarsha Finvest Limited" and providing their Name, Demat ID, Client ID, No. of Shares held, E-mail address to be registered and Contact no. to be registered. Member(s) may also intimate the same to the Company by writing at [contact@dfltd.in](mailto:contact@dfltd.in)
  - b. Post successful registration of the e-mail address, the Member will receive soft copy of the Notice and the procedure for remote e-voting along with the User ID and the Password to enable remote e-voting for this Notice.
  - c. It is clarified that for permanent registration of e-mail address, Members are however requested to register their e-mail address, in respect of electronic holdings with the Depositories/Depository Participant and in respect of physical holdings with the RTA.
5. The Company will issue necessary advertisements in the newspaper/ e-newspaper having all India circulation (in English language) and the newspaper circulating in Mumbai (in vernacular language, i.e., Marathi) where registered office of the Company is situated for the information of Members whose e-mail addresses are not available in the records of RTA and Depositories.
6. The Communication of the assent / dissent to the Special Resolution proposed in the Notice would take place through remote e-voting before and at the AGM.
7. The Members whose names will appear in the Register of Members/ Record of Depositories as on Monday, September 14, 2020 will only be considered for voting. Voting and other rights shall be reckoned on the paid-up value of the shares mentioned against the name of the Member in the Register of the Members on Monday, September 14, 2020.
8. The results of the e-voting will be declared on Wednesday, September 23, 2020 at the Registered office of the Company in case normalcy is attained. In case of lockdown, the remote e-voting results and report of the Scrutinizer will be furnished to BSE Limited and will also be uploaded on the website of the Company [www.dfltd.in](http://www.dfltd.in)
9. The Special Resolution(s) in the Notice shall be deemed to be passed on the date of AGM i.e., Monday September 21, 2020, if approved by the requisite majority.
10. All the necessary documents referred to in the explanatory statement will be available for review on the website of the Company [www.dfltd.in](http://www.dfltd.in)

11. No person shall be entitled to attend or vote at the meeting as a duly authorized representative of a Company or any Body Corporate which is a shareholder, unless a copy of the resolution appointing him/her as a duly authorized representative, certified to be true copy by the Chairman of the meeting at which it was passed, shall have been sent to the [contact@df ltd.in](mailto:contact@df ltd.in) not less than FOUR DAYS before the date of meeting i.e. on or before the closing hours of the Company i.e. 5.00 p.m. on Friday, 16th September, 2020.
12. In view of the situation arising due to Coronavirus (COVID-19) pandemic and extended lockdown, MCA has issued Circulars giving certain relaxation in the provisions of the Act and the Rules for facilitating passing of ordinary and special resolutions by companies, realizing the challenges faced by the companies in providing physical voting facility to Members. Accordingly, this Notice is being sent by email to all its Members whose email addresses are available in the beneficial ownership data of National Securities Depository Limited and Central Depository Services (India) Limited ("Depositories") and register of members as per the record of MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent ("RTA") of the Company. For more details in this regard, please refer Notes to this Notice. Furthermore, Members are also being provided electronic voting ("remote e-voting") to vote on the proposed Ordinary/Special Resolution(s). Members are requested to note that hard copy of this Notice along will not be sent to the Members according to the directions and guidelines issued by MCA amid COVID-19. The Notice and Annual Report shall also be available on the website of the Company [www.df ltd.in](http://www.df ltd.in) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com).
13. Pursuant to Rule 22(5) of the Rules, the Board of Directors of your Company, at its meeting held on August 22, 2020 has appointed Ms. Manisha Maheshwari (ACS 30224, holding CP No. 11031) Partner of Bhandari & Associates, Practicing Company Secretaries, as Scrutinizer for conducting process of remote e-voting in accordance with the provisions of the Pact, Rules, and the MCA Circulars in a fair and transparent manner. The Members are requested to carefully read the instructions on remote e-voting given in the Notes to this Notice.
14. The Scrutinizer will submit their report to the Authorized Director or any Authorised person appointed by the Chairperson/Joint Managing Director for declaration of the results of remote e-voting on Wednesday, September 23, 2020 at the Registered Office of the Company in case the normalcy is restored. In case of lock-down, the results of the remote e-voting and the Scrutinizer's report will be placed on the website of the Company [www.df ltd.in](http://www.df ltd.in) and will be communicated to BSE Limited, where the equity shares of the Company are listed.
15. The Company has enabled the Members to participate at the 26th AGM through the VC facility provided by Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
16. As per the provisions under the MCA Circulars, Members attending the 26th AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103.
17. The Register of Shareholders and Share Transfer Books of the Company will remain closed from the Tuesday, 15th September, 2020 to Monday 21st, September, 2020 (both days inclusive) for the purpose of 26th Annual General Meeting. The Cut-off for the purpose of remote e-voting is Monday, 14th September, 2020. Any person who is not a member on the cut-off date should treat this notice for information purposes only.
18. In case of joint holders attending the AGM, only such a joint holder, who is higher in the order of names, as per the Register of Members, will be entitled to vote;
19. The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or arrangements in which Directors are interested, maintained under the Act and the Certificate from Auditors of the Company certifying that the ESOP Scheme of the Company is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 will be available for inspection at the AGM;
20. Pursuant to SEBI circular SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018, it has been mandated by SEBI that transfer of securities of a listed company would be carried out in dematerialized form only. Accordingly, Regulation 40 of Listing Regulations has been amended and stock exchanges

vide their circulars have advised listed companies that w.e.f. December 5, 2018, shares shall be transferred in dematerialized form only. However, you can continue to hold shares in physical form which can be demated as per your convenience;

21. In accordance with the proviso to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them.

22. As per the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since the 26th AGM is being held through VC as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available.

23. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

#### **E-Voting process:**

A brief overview on the instructions and other information relating to remote e-voting is as under:

24. The remote e-voting period will commence on Friday, September 18, 2020 at 9.00 a.m. and ends on Sunday, September 20, 2020 at 5.00 p.m. for the Members exercising their vote through electronic voting. The remote e-voting module shall be disabled by Central Depository Services (India) Limited ("CDSL") for voting thereafter.

25. The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com). Click on Shareholders. Now Enter your User ID. For CDSL: 16 digits beneficiary ID; For NSDL: 8 Character DP ID followed by 8 Digits Client ID; and

26. Members holding shares in Physical Form should enter Folio Number registered with the Company.

27. Next enter the Image Verification as displayed and Click on Login.

28. If you are holding shares in Demat Form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.

29. If you are a first-time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form as on the cut-off date, Monday, September 14, 2020.	
PAN	Enter your 10 Digit alpha-numeric PAN issued by Income Tax Department (Applicable for Members holding shares in Demat Form and Physical Form) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated 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 Demat account or in the Company records in order to login. If both the details are not recorded with the Company/Depository Participant, please enter the Member ID / Folio Number in the Dividend Bank details field as mentioned in instruction (iv).

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

30. 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 remote 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.

31. For Members holding shares in Physical Form, the details can be used only for remote e-voting on the resolutions contained in this Notice.

32. Click on the EVSN for Dhanvarsha Finvest Limited on which you choose to vote.

33. 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.

34. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

35. 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.

36. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

37. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

38. If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

39. Members can also cast their vote using CDSL's mobile app "CDSL m-Voting". Android based phone users can download CDSL m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download CDSL m-Voting app from the App Store and the Windows Phone Store respectively. Please follow the instructions as promoted by the CDSL m-Voting app while voting on your mobile. The Members may log in to CDSL m-Voting app using their remote e-voting credentials to vote for the company resolution(s).

40. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

41. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

42. After receiving the login details, user would be able to link the account(s) for which they wish to vote on.

43. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

44. 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.

45. 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### **INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC:**

1. Members may access the platform to attend the AGM through VC at through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed. Please note that the Members who have not registered their e-mail address or do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice.

2. The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM and shall be closed after the expiry of 15 minutes after such schedule time.

3. Members are encouraged to join the Meeting using Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge or Mozilla Firefox 22.

4. Members will be required to grant access to the web-cam to enable two-way video conferencing.

5. Members are advised to use stable Wi-Fi or LAN connection to participate at the AGM through VC in a smooth manner. Participants may experience audio/video loss due to fluctuation in their respective networks.

6. Members who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request in advance through e-mail during the period from 14th September, 2020 (9.00 a.m. IST) to 16th September, 2020 (5.00 p.m. IST) mentioning their name, demat account number/folio number, email id, mobile number at [contact@dfld.in](mailto:contact@dfld.in). The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

7. Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM.

8. Members can send their queries to MCS Share Transfer Agent Limited (Unit: Dhanvarsha Finvest Limited) 209-A, C Wing, 2nd Floor, Gokul Industrial Estate, Sagbaug, Marol Co-op Industrial Area, B/H Times Square, Andheri (East), Mumbai – 400059 (MH). Members can also send email to the designated email id: [subodh@mcsregistrars.com](mailto:subodh@mcsregistrars.com);

## **ANNEXURE TO NOTICE**

### **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”):**

#### **Item No.4**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company (the “Board”) appointed Mr. Rakesh Sethi as an Additional Director on the Board of the Company with effect from October 15, 2019. In terms of the provision of Section 161 of the Companies Act, 2013 Mr. Sethi will hold office up to the date of the Twenty-Sixth Annual General Meeting.

Mr. Sethi is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

Details required to be disclosed in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 form part of this Notice.

The Board recommends the Ordinary Resolution as set out in Item No. 4 in the Special Business of the Notice for approval by the Members of the Company.

Except Mr. Rakesh Sethi and his relatives, none of the Directors and Key Managerial Personnel of the Company and

and their respective relatives is concerned or interested, in the Resolutions set out at Item No. 4 in Special Business of the Notice.

#### **Item No.5**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company (the “Board”) appointed Mr. Rajiv Kapoor as an Additional Director on the Board of the Company with effect from February 03, 2020. In terms of the provision of Section 161 of the Companies Act, 2013 Mr. Kapoor will hold office up to the date of the Twenty-Sixth Annual General Meeting.

Mr. Kapoor is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

Details required to be disclosed in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 form part of this Notice.

The Board recommends the Ordinary Resolution as set out in Item No. 5 in the Special Business of the Notice for approval by the Members of the Company.

Except Mr. Rajiv Kapoor and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, in the Resolutions set out at Item No. 5 in Special Business of the Notice.

#### **Item No.6**

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with rules made thereunder and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has come into effect from 1st October, 2015 has also prescribed seeking of shareholders' approval for material related party transactions.

The Company has entered into following material related party transactions with the related party during the year under review:

Name of Related Party	Relationship	Nature of transaction	Aggregate Amount*	Duration of Agreement
Wilson Holdings Private Limited (formerly known as "Truvalue Agro Ventures Private Limited").	Entity in which one or more Directors have a significant influence / control.	Repayment of unsecured loan and payment of Interest as per the loan agreement and any other transaction relating to the loan.	Amount outstanding during any financial year shall not exceeding Rs. 50 crore. Rate of Interest 11.50% p.a.	Till October 01, 2022.

As per Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, related parties of the Company shall abstain from voting on said resolution.

The Board recommends the Ordinary Resolution as set out in Item No. 6 of the Notice for approval by the Members of the Company.

Except Mr. Ashish Sharad Dalal and his relatives, none of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested, in the Resolution set out at Item No. 6 of the Notice.

#### Item No.7

Section 186(3) of the Act provides that where the aggregate of the loans and investment so far made, the amount for which guarantee or security so far provided to or in all other bodies corporate along with the investment, loan, guarantee or security proposed to be made or given by the Board, exceeds the limits specified under sub-section (2) of Section 186 of the Act (i.e. sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more), no investment or loan shall be made or guarantee shall be given or security shall be provided unless

previously authorised by a special resolution passed in a general meeting.

The Company is non-banking financial company registered with RBI as an investment and credit company. The Company is engaged in the business of giving loans to Micro, Small and Medium Enterprises, which include corporate and non-corporate persons/entities. As such, the Company continues to be exempt from the applicability of Section 186 of the Act. However, as a matter of abundant caution it is proposed to obtain approval of the Members of the Company for the loans, guarantees given/to be given by the Company from time to time in the ordinary course of business and investments made/to be made in securities, upto the limit of Rs.200 crore as set out in the Special Resolution.

The Board recommends the Special Resolution as set out in Item No. 4 of the Notice for approval by the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, in the Resolutions set out at Item No. 4 of the Notice.

#### Item No.8

Your Company had entered into a Loan Agreement dated August 1, 2017 to borrow up to Rs.50,00,00,000/- (Rupees Fifty Crores Only) from Wilson Holdings Private Limited (formerly known as "Truvalue Agro Ventures Private Limited), Promoter of the Company (hereafter referred to as "Lender" or "Promoter"), as unsecured loan. The total outstanding principle amount and interest due to the Lender as on the date of this notice is Rs.14,10,56,530/-.

The Board of Directors at their meeting held on August 07, 2020, on the basis of fresh request letter received from the Lender, has decided to convert an amount aggregating to Rs.10,30,00,025 from outstanding loan amount due toward the unsecured loan of Lender on preferential basis into the Equity Shares of the Company, subject to approval of Members by way of Special Resolution and such other approvals as may be required under applicable laws.

The Members of the Company pursuant to Special Resolution passed through Postal Ballot process on June 19, 2020 had approved amendment to the Loan Agreement granting right to the Lender to convert whole outstanding loan amount into Equity Shares of the Company.

It is proposed to create, offer, issue and allot on preferential basis to the Lender up to maximum of 925,427 (Nine Lakhs Twenty-five Thousand Four Hundred and Twenty-seven only) Equity Shares of face value of Rs.10/- (Rupees Ten Only) each, at a price of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share including premium of Rs.101.30 (Rupees One Hundred and One and Thirty paise only) per Equity Share, which is in compliance with the provisions of Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, ("SEBI ICDR Regulations"), aggregating to Rs.10,30,00,025/- (Rupees Ten Crore and Thirty Lakhs and Twenty-five only) upon the conversion of whole unsecured loan outstanding as on date.

Pursuant to the provisions of Section 42 and Section 62 of Companies Act, 2013 ("the Act") and Chapter V of SEBI ICDR Regulations any preferential allotment of Securities needs to be approved by the Members of the Company by way of a Special Resolution. Further, in terms of Chapter V of the SEBI ICDR Regulations, certain disclosures are required to be made to the Members of the Company which forms part of this Explanatory Statement. Details of the Issue are as under:

1. The allotment of the Equity Shares is subject to the Lender not having sold any Equity Shares of the Company during the 6 (Six) months preceding the Relevant Date (i.e. August 21, 2020). The Promoter has represented that it has not sold any Equity Shares of the Company during the 6 (Six) months preceding the Relevant Date.
2. The relevant disclosures as required under Companies Act, 2013 and Chapter V of the SEBI ICDR Regulations are set out below:
  - a. **The Object of the Preferential Issue:** The Members are informed that the object of the issue of the Equity Shares by way of the proposed preferential offer is to convert an amount aggregating to Rs.10,30,00,025 from the outstanding amount of unsecured loans given by the Lender to the Company

at the request of the Lender. The Board of Directors of the Company have decided to convert unsecured loans in to Equity Shares which is in best interest of the Company and it will also strengthen the financial position of the Company which may increase net worth of the Company. The unsecured loan was used for business expansion and growth of loan portfolio of the Company.

b. **Type/kind and Number of Shares to be issued, Price and amount which the company intends to raise by way of such securities:**

It is proposed to issue and allot on preferential basis to Wilson Holdings Private Limited, promoter of the Company up to 925,427 Equity Shares of face value of Rs.10/- (Rupees Ten Only) each, at a price of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share including premium of Rs.101.30 (Rupees One Hundred and One and Thirty paise only) per Equity Share, aggregating to Rs.10,30,00,025/- (Rupees Ten Crore and Thirty Lakhs and Twenty-five only) upon the conversion of existing outstanding unsecured loan into Equity Shares.

c. **The proposal/intent of the Promoters/Directors/Key Management Personnel of the Company to subscribe the Preferential Issue:**

The preferential issue is being made to Wilson Holdings Private Limited (formerly known as 'Truvalue Agro Ventures Private Limited), Promoter of the Company, which intends to subscribe to the Equity Shares in lieu of outstanding unsecured loan amount. No shares being offered to any Directors or Key Managerial Personnel.

The details of the Promoter and the unsecured loans outstanding to the Promoter as on date are as under:

- i. Proposed Allottee: Wilson Holdings Private Limited;
- ii. Total Amount of Unsecured Loan outstanding: Rs.14,10,56,530/-.
- iii. Amount of unsecured loan which will be adjusted against issue of Equity Shares: Rs.10,30,00,025/-

- iv. No. of Equity Shares to be Allotted: 9,25,427 (Nine Lakhs Twenty-five Thousand Four Hundred and Twenty-seven only)
  - d. **The shareholding Pattern of the Issuer before and after the Preferential Issue:** Shareholding pattern before and after the proposed preferential issue of Equity Shares arising out of the conversion of loan is provided as Annexure A to the Notice.
  - e. **The proposed timeline within which preferential Issue shall be completed:** As required under Chapter V of the SEBI ICDR Regulations, the Company shall complete the allotment of Equity Shares as aforesaid within a period of 15 (Fifteen) days from the date of passing of the Special Resolution by the shareholders granting consent for preferential issue or in the event allotment of Equity Shares would require any approval(s) from any regulatory authority or the Central Government, the allotment shall be completed within 15 (Fifteen) days from the date of such approval(s), as the case may be.
  - f. **The Identity of the natural persons who are the ultimate beneficial owners of the shares / proposed to be allotted and / or who ultimately control the proposed Allottees, the percentage of pre and post preferential issue capital that may be held by them:** The identity of the natural person who is the ultimate beneficial owner of the shares proposed to be allotted and the percentage of the pre and post preferential issue capital that may be held by proposed Allottee is given below:
    1. Name of the Proposed Allottee: Wilson Holdings Private Limited.
    2. PAN of the Proposed Allottee: AAFCT1891G.
    3. Address: 1<sup>st</sup> Floor, DJ House, Old Nagardas Road, Andheri (East), Mumbai – 400069 (MH).
    4. Category: Promoter
    5. Natural person who are ultimate beneficial owners: Nimir Mehta; Minaxi Mehta; and Rushina Mehta.
    6. Pre-Issue Shareholding: 84,57,400 Equity Shares (59.02%)
    7. Post-Issue Shareholding: 93,82,827 Equity Shares (61.51%)
  - g. **Undertakings by the Company under the provisions of Regulations 163(1)(g) and (h) of the SEBI ICDR Regulations:** Since the equity shares of the Company have been listed on the recognised Stock Exchanges for a period of more than 26 weeks prior to the Relevant Date, it is not required to re-compute the price per equity share to be issued and therefore, the Company is not required to submit the undertaking specified under the relevant provisions of the SEBI (ICDR) Regulations.
  - h. **Basis of pricing of the Preferential issue:** The Equity Shares will be allotted in accordance with the price determined in terms of Regulation 164 of the SEBI ICDR Regulations. The Equity Shares shall be allotted at a price not less than higher of the following:
    - (a) The average of the weekly high and low of the volume weighted average price of the related Equity Shares quoted on the BSE Ltd during the twenty-six weeks preceding the relevant date; or
    - (b) The average of the weekly high and low of the volume weighted average prices of the related Equity Shares quoted on the BSE Ltd during the two weeks preceding the relevant date.
- As per the calculations, the average of the High and low of the Volume Weighted Average Price of the Equity Shares of the Company quoted on BSE Limited of 26 weeks and 2 weeks of preceding the Relevant Date stands at Rs.79.22 and Rs.101.02 respectively. Hence, the minimum price in accordance with the Regulation 164 of SEBI ICDR Regulations is Rs.101.02. However, the issue price for the proposed preferential issue has been fixed as Rs.111.30 (including premium of Rs.101.30 each) per share which is higher price than the minimum price as per the pricing formula prescribed under the SEBI ICDR Regulations.
- i. **Relevant date with reference to which the price has been arrived at:** The "Relevant Date" in terms of Regulation 161(a) of the SEBI ICDR Regulations for determination of minimum issue price for the issue of equity shares arising on conversion of unsecured loan is August 21, 2020 as August 22, 2020, the date 30 days prior to the date of passing of special resolution by the shareholders i.e. September 21, 2020, is weekend and hence August 21,



2020 being the day preceding the weekend days shall be considered as the Relevant Date.

- j. **Auditor's Certificate:** A copy of the certificate from the Statutory Auditors of the Company, Haribhakti & Co. LLP, Chartered Accountants, certifying that the issue of the Equity Shares to be issued upon conversion of the Loan, is being made in accordance with the requirements of SEBI ICDR Regulations for Preferential Issues and will be made available for members on the website of the Company [www.dfltd.in](http://www.dfltd.in), as well as placed at the 26<sup>th</sup> AGM of the Company
- k. **Lock-in Period:** The Equity Shares issued on preferential basis will be subject to lock-in as provided in the SEBI ICDR Regulations. The entire pre-preferential allotment shareholding of the Promoter, if any, shall be locked-in from the Relevant Date up to a period of six months from the date of trading approval granted by the Stock Exchange.
- l. **Basis on which the price has been arrived at along with report of the registered valuer:** As such this is not applicable in the present case since the Company is a listed Company and the pricing is in terms of Regulations 164(1) of the SEBI ICDR Regulations. However, it is agreed that the issue price shall be Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share which is higher than the minimum issue price determined as on Relevant Date in accordance with Regulation 164(1) of the SEBI ICDR Regulations.
- m. **Change in control:** There shall be no change in management or control of the Company pursuant to this proposed issue.
- n. **The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:** A report from Registered Valuer Mr. Saket Jain has been obtained justifying valuation of the consideration which is the amount of loan being converted. Further, the proposed allotment of equity shares is conversion of amount of loan received by the Company from the Promoter.
- o. **Details of earlier allotment on preferential basis:** The Promoter was allotted 7,75,200 (Seven Lakh Seventy-five

Thousand Two Hundred) Equity Shares of face value of Rs.10/- each at a premium of Rs. 54.50/- per Equity Share on April 3, 2020 upon exercise of option for conversion of equivalent number of Warrants, which were issued on preferential basis, pursuant to and in terms of shareholders' approval dated September 28, 2018.

**p. Other Terms and Conditions for Issue of Equity Shares**

1. The allotment of Equity Shares will not require making of a public offer as it is below the prescribed threshold limit for making of an open offer in terms of SEBI SAST Regulations. Due to above preferential allotment of the Equity Shares, no change in management control is contemplated. The aforesaid Allottee shall be required to comply with the relevant provisions of the SEBI SAST Regulations.
2. The Equity Shares arising out of issue of Equity Shares pursuant to the proposed resolution shall rank pari-passu in all respects with the existing Equity Shares of the Company and will be listed on BSE Limited where the Equity Shares of the Company are listed.

**3. Other Disclosures:**

- i. It is hereby confirmed that neither the Company nor any of its Promoters or Directors are a wilful defaulter.
- ii. The Board, in its meeting held on August 07, 2020 has approved the issue of Equity Shares on preferential basis to the Lender in the manner stated hereinabove, subject to the approval of members and other approvals, as may be required.

The consent of the Members is being sought by a Special Resolution to enable the Board to issue the Equity Shares to Wilson Holdings Private Limited in accordance with the provisions of the Companies Act, 2013 and the rules made there under, SEBI ICDR Regulations, as amended, SEBI LODR Regulations and any other applicable laws.

In view of the above, the Board recommend the Resolution set out in Item No.8 of the Notice for approval by the Members as Special Resolution.

As per Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, related parties of the Company shall abstain from voting on said resolution.

Except Mr. Ashish Sharad Dalal, and his relatives, none of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company.

#### Item No.9

The Company and Wilson Holdings Private Limited (formerly known as 'Truvalue Agro Ventures Private Limited') ("Promoter") had executed CCD Subscription Agreement on June 15, 2020 which contemplated an investment of an aggregate amount of the INR equivalent of USD 6,000,107.75 (US Dollars Six Million One Hundred and Seven point Seven Five) in the Company by Promoter, by way of subscription to 10% unsecured compulsorily convertible debentures (CCDs).

The Company has negotiated better rate with the Promoter, for an investment of an aggregate amount of upto Rs. 45.00 Crores (Rupees Forty-five Crores Only), in the Company by Promoter, by way of subscription to 2% unsecured compulsorily convertible debentures (CCDs) by Promoter and has consequently executed Amended CCD Subscription Agreement with the Promoter on August 07, 2020.

It is proposed to issue and allot up to 40,43,127 (Forty Lakh Forty-Three Thousand and One Hundred Twenty-Seven Only) 2% Unsecured Compulsorily Convertible Debentures ("CCDs") having face value of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) each for cash at par, with the aggregate amounts of investment upto Rs. 45.00 Crores (Rupees Forty-five Crores Only), the face value of which will be convertible into Equity Shares of the Company ("Conversion Shares") at a conversion price of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share, which is in compliance with the provisions of Regulation 164 of Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. CCD holder will have a right to apply for & convert and be allotted 1 (one) Equity Share of face value Rs.10 each of the Company for each CCD within a period of 18 months from the date of allotment of CCDs.

The Board of Directors, at their meeting held on August 07, 2020 have (subject to the approval of the members and regulatory approvals) approved the proposal to issue the CCDs.

Pursuant to the provisions of Section 42, 62 and 71 of Companies Act, 2013 ("the Act") and Chapter V of SEBI ICDR Regulations any preferential allotment of Securities needs to be approved by the Members of the Company by way of a Special Resolution. Further, in terms of Chapter V of the SEBI ICDR Regulations, certain disclosures are required to be made to the Members of the Company which forms part of this Explanatory Statement. Details of the Issue are as under:

1. The allotment of the CCDs and Equity Shares arising out of conversion of CCDs so offered shall be in dematerialised form and equity shares issued upon the conversion of the CCDs shall, subject to receipt of necessary approvals, be listed and traded on BSE Limited and shall be subject to the provisions of the memorandum and articles of association of the Company.
2. The tenure of the CCDs shall not exceed 18 (eighteen) months from the date of their allotment.
3. The relevant disclosures as required under Companies Act, 2013 and Chapter V of the SEBI ICDR Regulations are set out below:
  - (a) **Objects of the preferential issue:** To meet the Company's requirement of working capital as well as capital expenditure to support business expansion, repayment of loan and investments by the Company.
  - (b) **Type/kind and Number of Securities to be issued, price and amount which the company intends to raise by way of such securities:**  
 40,43,127 (Forty Lakh Forty-Three Thousand and One Hundred Twenty-Seven Only) unsecured CCDs having face value of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) each, for cash at par, carrying a coupon of 2% simple interest per annum, and having a term no exceeding 18 (eighteen) months from the date of allotment, are proposed to be issued against receipt of an aggregate amount of upto Rs. 45.00 Crores (Rupees Forty-five Crores Only) from Promoter.  
 The CCDs shall be convertible into Equity Shares at a conversion price Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share.
  - (c) The price for the conversion of CCDs into Equity Shares is Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share which is higher than the minimum issue price computed as per the SEBI pricing

formula for preferential issue, being higher of:

- i the average of the high and low of the volume weighted average prices at BSE Limited for 26 weeks prior to the Relevant Date i.e. August 21, 2020 and
- ii the average of the high and low of the volume weighted average prices at BSE Limited for 2 weeks prior to the Relevant Date. i.e. August 21, 2020.

The price at which the Equity Shares are proposed to be allotted is higher than the minimum price of Rs.101.02

**(d) Relevant date with reference to which the price has been arrived at:**

The Relevant Date in terms of Regulation 161(a) of the SEBI ICDR Regulations for the purpose of determining the minimum issue price for the issue of equity shares arising on conversion of CCDs is August 21, 2020 as August 22, 2020, the date 30 days prior to the date of passing of special resolution by the shareholders at proposed AGM i.e. September 21, 2020, is weekend and hence August 21, 2020 being the day preceding the weekend days shall be considered as the Relevant Date.

**(e) Proposal/Intent of the Promoters, Directors or Key Management Personnel of the Company to subscribe to the preferential issue:** The preferential issue is being made to Wilson Holdings Private Limited (formerly known as 'Truvalue Agro Ventures Private Limited), Promoter of the Company, which intends to subscribe to the CCDs. No shares being offered to any Directors or Key Managerial Personnel. This issue/offer is limited to the Promoter on a preferential basis through a letter of offer.

**(f) Shareholding Pattern of the Company before and after the Preferential Issue:** Shareholding pattern before and after the proposed preferential issue, assuming conversion of all the CCDs into (including CCDs issued to the Investor) Equity Shares is provided as Annexure B to the Notice.

**(g) Proposed time within which the preferential issue shall be completed:** As required under Chapter V of

the SEBI ICDR Regulations, the CCDs shall be allotted within a period of 15 (fifteen) days from the date of approval of the Members to the proposed 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 (fifteen) days from the date of such approval.

**(h) 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 percentage of the pre and post preferential issue that may be held by them:**

The identity of the natural person who is the ultimate beneficial owner of the shares proposed to be allotted on conversion of CCDs and the percentage of the pre and post preferential issue capital that may be held by Promoter is given below:

1. Name of the Proposed Allottee: Wilson Holdings Private Limited.
2. PAN of the Proposed Allottee: AAFCT1891G.
3. Address: 1<sup>st</sup> Floor, DJ House, Old Nagardas Road, Andheri (East), Mumbai – 400069 (MH).
4. Category: Promoter
5. Natural person who are ultimate beneficial owners: Mr. Nimir Kishore Mehta; Mrs. Minaxi Kishore Mehta; and Mrs. Rushina Nimir Mehta.
6. Pre-Issue Shareholding: 84,57,400 Equity Shares (59.02%) [before allotment of Equity Shares on conversion of loan into Equity] and 93,82,827 Equity Shares (61.51%) [After allotment of Equity Shares on conversion of loan into Equity]
7. Post-Issue Shareholding: 1,34,25,954 Equity Shares (53.49%) [post conversion of all CCDs including CCDs allotted to Investor but before conversion of Warrants]

**(i) Change in control:** There will be no change in control of the Company pursuant to the preferential issuance of the CCDs to the Promoter.

**(j) Details of earlier allotment on preferential basis during the year:** Wilson Holdings Private Limited (formerly known as "Truvalue Agro Ventures Private Limited"), Promoters of the Company, was allotted

7,75,200 (Seven Lakh Seventy-five Thousand Two Hundred) Equity Shares of face value of Rs.10/- each at a premium of Rs. 54.50/- per Equity Share on April 3, 2020 upon exercise of option for conversion of equivalent number of Warrants, which were issued on preferential basis, pursuant to and in terms of shareholders' approval dated September 28, 2018.

(k) **Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:** Not applicable, as the allotment of the CCDs is proposed to be made is not for consideration other than cash. It is proposed to issue and allot CCDs to allottees for cash only.

(l) **Undertaking by the Company under the provisions of Regulations 163(1)(g) and (h) of the SEBI ICDR Regulations:**

Since the equity shares of the Company have been listed on the recognised Stock Exchanges for a period of more than 26 weeks prior to the Relevant Date, it is not required to re-compute the price per equity share to be issued on conversion of CCDs and therefore, the Company is not required to submit the undertaking specified under the relevant provisions of the SEBI (ICDR) Regulations.

(m) **Basis of Pricing of the Preferential issue:** The Equity Shares on conversion of CCDs will be allotted at a price which has been determined in accordance with the price determined in terms of Regulation 164(1) of the SEBI ICDR Regulations. The Equity Shares on conversion of CCDs shall be allotted at a price not less than higher of the following:

- i. The average of the weekly high and low of the volume weighted average price of the Equity Shares quoted on the BSE Limited during the twenty-six weeks preceding the relevant date; or
- ii. The average of the weekly high and low of the volume weighted average prices of the Equity Shares quoted on a BSE Limited during the two weeks preceding the relevant date.

As per the calculations, the average of the High and low of the Volume Weighted Average Price of the

Equity Shares of the Company quoted on BSE Limited for 26 weeks and 2 weeks of preceding the Relevant Date stands at Rs.79.22-and Rs.101.02 respectively. Hence, the minimum price in accordance with the Regulation 164 of SEBI ICDR Regulations is Rs.101.02. However, the conversion price of CCD into Equity Shares has been fixed as Rs.111.30 (including premium of Rs.101.30 each) per share which is higher price than the minimum issue price as per the pricing formula prescribed under the SEBI ICDR Regulations.

(n) **Lock in period:** The CCDs and the Equity Shares to be allotted upon conversion of the CCDs will be subject to applicable lock-in and transfer restrictions stipulated under SEBI ICDR Regulations. The entire pre-preferential allotment shareholding of the Promoter, if any, shall be locked-in from the Relevant Date up to a period of six months from the date of trading approval granted by the Stock Exchange.

(o) **Basis on which the price has been arrived at along with report of the registered valuer:** As such this is not applicable in the present case since the Company is a listed Company and the pricing is in terms of the SEBI ICDR Regulations. However, it is agreed that the issue price shall be Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share which is higher than the minimum issue price determined as on Relevant Date in accordance with Regulation 164 of the SEBI ICDR Regulations.

(p) **Non-Disposal of Shares:** The Promoter has not sold any equity shares in the Company during the six months preceding the Relevant Date. The issue of CCDs is in accordance with the provisions of the memorandum and articles of association of the Company.

(q) **Payment Terms:** In accordance with Regulation 169 of the ICDR Regulations, the entire consideration determined in terms of Regulation 164 of the SEBI ICDR Regulations, shall be paid on or before the date of allotment of the CCDs.

(r) **Other Terms and Conditions for Issue of Equity Shares**

- 1) The allotment of CCDs will not require making of an open offer under SEBI SAST Regulations. The aforesaid Allottee shall be required to comply with the relevant provisions of the SEBI SAST Regulations.
- 2) The Equity Shares arising on conversion of CCDs issued pursuant to the proposed resolution shall rank pari-passu in all respects with the existing Equity Shares of the Company and will be listed on BSE Limited where the Equity Shares of the Company are listed.

**(s) Auditor's Certificate:** A copy of the certificate from the Statutory Auditors of the Company, Haribhakti & Co. LLP, Chartered Accountants, certifying that the issue of the CCD and Equity Shares to be issued upon conversion of the CCDs, is being made in accordance with the requirements of SEBI ICDR Regulations for Preferential Issues and will be made available for members on the website of the Company [www.dfltd.in](http://www.dfltd.in), and placed at the 26<sup>th</sup> AGM of the Company

### 3. Other Disclosures:

- i. It is hereby confirmed that neither the Company nor any of its Promoters or Directors are a willful defaulter.
- ii. The Board, in its meeting held on August 7, 2020 has approved the issue of CCDs on preferential basis to the Promoter in the manner stated hereinabove, subject to the approval of members and other approvals, as may be required.

In terms of Sections 42 and 71 of the Companies Act, 2013, approval of the shareholders by way of a special resolution is required to issue the CCDs by way of a preferential allotment on private placement basis. Hence, the Board recommends the resolution proposed at Item No.9 for your approval by way of a Special Resolution.

As per Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, related parties of the Company shall abstain from voting on said resolution.

Except Mr. Ashish Sharad Dalal, and his relatives, none of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially

or otherwise in the said resolution except to the extent of their shareholding in the Company.

### Item No.10

The Company and Turning Leaf Fund I Pte. Ltd. ("Investor") had executed CCD Subscription Agreement on June 15, 2020 which contemplated an investment of an aggregate amount of the INR equivalent of USD 8,498,273.83 (US Dollars Eight Million Four Hundred and Ninety Eight Thousand Two Hundred and Seventy Three point Eight Three only) in the Company by Investor, by way of subscription to 10% unsecured compulsorily convertible debentures (CCDs).

The Company has negotiated better rate with the Investor, for an investment of an aggregate amount of the INR 64.60 Crores (Rupees Sixty-Four Crores, Sixty Lakhs Only) in the Company by the Investor, by way of subscription to 2% unsecured compulsorily convertible debentures (CCDs) and has consequently executed Amended CCD Subscription Agreement with the Investor on August 07, 2020.

In terms of the said Agreement, it is proposed to issue and allot up to 58,04,133 (Fifty-Eight Lakhs Four Thousand One Hundred Thirty-Three Only) CCDs having face value of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) each for cash at par, for an aggregate amount of investment of upto INR 64.60 Crores (Rupees Sixty-Four Crores, Sixty Lakhs Only), the face value of which will be convertible into Equity Shares of the Company ("Conversion Shares") at a conversion price of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share, which is in compliance with the provisions of Regulation 164 of Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. CCD holder will have a right to apply for & convert and be allotted 1 (one) Equity Share of face value Rs.10 each of the Company for each CCD within a period of 18 months from the date of allotment of CCDs.

The Board of Directors, at their meeting held on August 07, 2020 have (subject to the approval of the members and regulatory approvals) approved the proposal to issue the CCDs.

Pursuant to the provisions of Section 42, 62 and 71 of Companies Act, 2013 ("the Act") and Chapter V of SEBI ICDR Regulations any preferential allotment of Securities needs to



be approved by the Members of the Company by way of a Special Resolution. Further, in terms of Chapter V of the SEBI ICDR Regulations, certain disclosures are required to be made to the Members of the Company which forms part of this Explanatory Statement. Details of the Issue are as under:

1. The allotment of the CCDs and Equity Shares arising out of conversion of CCDs so offered shall be in dematerialised form and equity shares issued upon the conversion of the CCDs shall, subject to receipt of necessary approvals, be listed and traded on BSE Limited and shall be subject to the provisions of the memorandum and articles of association of the Company.
2. The tenure of the CCDs shall not exceed 18 (eighteen) months from the date of their allotment.
3. The relevant disclosures as required under Companies Act, 2013 and Chapter V of the SEBI ICDR Regulations are set out below:
  - (a) **Objects of the preferential issue:** To meet the Company's requirement of working capital as well as capital expenditure to support business expansion, repayment of loan and investments by the Company.
  - (b) **Type/kind and Number of Securities to be issued, price and amount which the company intends to raise by way of such securities::** 58,04,133 (Fifty-Eight Lakhs Four Thousand One Hundred Thirty-Three Only) unsecured CCDs having face value of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) each for cash, at par, carrying a coupon of 2% simple interest per annum, and having a term not exceeding 18 (eighteen) months from the date of allotment, are proposed to be issued against receipt of an aggregate amount of upto INR 64.60 Crores (Rupees Sixty-Four Crores, Sixty Lakhs Only) from Investor.

The CCDs shall be convertible into Equity Shares at a conversion price Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share.

The price for the conversion of CCDs into Equity Shares is Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share which is higher than the minimum issue price computed as

per the SEBI pricing formula for preferential issue, being higher of:

- i the average of the weekly high and low of the volume weighted average prices at BSE Limited for 26 weeks prior to the Relevant Date i.e. August 21, 2020 and
- ii the average of the weekly high and low of the volume weighted average prices at BSE Limited for 2 weeks prior to the Relevant Date. i.e. August 21, 2020.

The price at which the Equity Shares are proposed to be allotted is higher than the minimum price of Rs.101.02.

**(c) Relevant date with reference to which the price has been arrived at:**

The Relevant Date in terms of Regulation 161(a) of the SEBI ICDR Regulations for the purpose of determining the minimum issue price for the issue of equity shares arising on conversion of CCDs is August 21, 2020 as August 22, 2020, the date 30 days prior to the date of passing of special resolution by the shareholders at proposed AGM i.e. September 21, 2020, is weekend and hence August 21, 2020 being the day preceding the weekend days shall be considered as the Relevant Date.

**(d) Proposal/Intent of the Promoters, Directors or Key Management Personnel of the Company to subscribe to the preferential issue:** None of the promoters, directors or key management personnel of the Company has any intention to subscribe to the offer. This issue/offer is limited to the Investor on a preferential basis through a letter of offer.

**(e) Shareholding Pattern of the Company before and after the Preferential Issue:** Shareholding pattern before and after the proposed preferential issue, assuming conversion of all CCDs (including CCDs to be issued to Promoter) into Equity Shares is provided as Annexure B to the Notice.

**(f) Proposed time within which the preferential issue shall be completed:** As required under the Chapter V of SEBI ICDR Regulations, the CCDs shall be allotted within a period of 15 (fifteen) days from the date of approval of the Members to the proposed 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 (fifteen) days from the date of such approval.

**(g) 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 percentage of the pre and post preferential issue that may be held by them:**

The identity of the natural person who is the ultimate beneficial owner of the shares proposed to be allotted on conversion of CCDs and the percentage of the pre and post preferential issue capital that may be held by proposed Allottee is given below:

1. Name of the Proposed Allottee: Turning Leaf Fund I Pte. Ltd.
2. Status of Proposed Allottee: Foreign Body Corporate.
3. PAN of the Proposed Allottee: AAHCT8115B
4. Address: 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619.
5. Category: Non-Promoter
6. Natural person who are ultimate beneficial owners: Turning Leaf Fund I Pte. Ltd. is a foreign body corporate. It is a company incorporated and validly existing under the laws of Singapore. It is a closed-ended fund managed by its Investment Manager, Turning Leaf Asset Management Pte. Ltd., Singapore, a Registered Fund Management Company with Monetary Authority of Singapore. No natural person holds more than 10% of shares in Turning Leaf Fund I Pte. Ltd. The Investor proposes raise USD 100 million fund with diverse investors like regulated financial institutions, family offices and High Net worth Individuals. None of the investors are based out of India. The Board of Directors of Turning Leaf Fund I Pte. Ltd. comprises of the following individuals: Mr. Veerendra Kedarnath Chandalada.
7. Pre-Issue Shareholding: Nil (0%)
8. Post-Issue Shareholding: 58,04,133 (23.12%) 58,04,133 Equity Shares (23.12%) [post conversion of all CCDs including CCDs allotted to Promoter but before conversion of Warrants]

**(h) Change in control:** There will be no change in control of the Company pursuant to the preferential issue of

the CCDs to the Investor.

**(i) Details of earlier allotment on preferential basis during the year:** Wilson Holdings Private Limited (formerly known as “Truvalue Agro Ventures Private Limited”), Promoters of the Company, was allotted 7,75,200 (Seven Lakh Seventy-five Thousand Two Hundred) Equity Shares of face value of Rs.10/- each at a premium of Rs. 54.50/- per Equity Share on April 3, 2020 upon exercise of option for conversion of equivalent number of Warrants, which were issued on preferential basis, pursuant to and in terms of shareholders’ approval dated September 28, 2018.

**(j) Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:** Not applicable, as the allotment of the CCDs is proposed to be made is not for consideration other than cash. It is proposed to issue and allot CCDs to investor for cash only.

**(k) Undertaking by the Company under the provisions of Regulations 163(1)(g) and (h) of the SEBI ICDR Regulations:**

Since the equity shares of the Company have been listed on the recognised Stock Exchanges for a period of more than 26 weeks prior to the Relevant Date, it is not required to re-compute the price per equity share to be issued on conversion of CCDs and therefore, the Company is not required to submit the undertaking specified under the relevant provisions of the SEBI (ICDR) Regulations.

**(l) Basis of Pricing of the Preferential issue:** The Equity Shares will be allotted in accordance with the price determined in terms of Regulation 164(1) of the SEBI ICDR Regulations. The Equity Shares on conversion of CCDs shall be allotted at a price not less than higher of the following:

- (a) The average of the weekly high and low of the volume weighted average price of the Equity Shares quoted on the BSE Limited during the twenty-six weeks preceding the relevant date; or
- (b) The average of the weekly high and low of the volume weighted average prices of the Equity

Shares quoted on a BSE Limited during the two weeks preceding the relevant date.

As per the calculations, the average of the weekly High and low of the Volume Weighted Average Price of the Equity Shares of the Company quoted on BSE Limited for 26 weeks and 2 weeks of preceding the Relevant Date stands at Rs.79.22 and Rs.101.02 - respectively. Hence, the minimum price in accordance with the Regulation 164 of SEBI ICDR Regulations is Rs.101.02. However, the conversion price of CCD into Equity Shares has been fixed as Rs.111.30 (including premium of Rs.101.30 each) per share which is higher price than the minimum price as per the pricing formula prescribed under the SEBI ICDR Regulations.

- (m) **Lock in period:** The CCDs and the Equity Shares to be allotted upon conversion of the CCDs will be subject to applicable lock-in and transfer restrictions stipulated under SEBI ICDR Regulations.
- (n) **Basis on which the price has been arrived at along with report of the registered valuer:** As such this is not applicable in the present case since the Company is a listed Company and the pricing is in terms of the SEBI ICDR Regulations. However, it is agreed that the issue price shall be Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share which is higher than the minimum price determined as on Relevant Date in accordance with Regulation 164 of the SEBI ICDR Regulations.
- (o) **Payment Terms:** In accordance with Regulation 169 of the ICDR Regulations, the entire consideration determined in terms of Regulation 164 of the SEBI ICDR Regulations, shall be paid on or before the date of allotment of the CCDs.
- (p) **Other Terms and Conditions for Issue of Equity Shares**

The allotment of CCDs will not require making of a open offer under SEBI SAST Regulations. The Investor shall be required to comply with the relevant provisions of the SEBI SAST Regulations. The Equity Shares arising out of issue of Equity Shares pursuant to the proposed resolution shall rank pari-passu in all respects with the existing Equity Shares of the Company and will be listed on BSE

Limited where the Equity Shares of the Company are listed.

- (q) **Auditor's Certificate:** A copy of the certificate from the Statutory Auditors of the Company, Haribhakti & Co. LLP, Chartered Accountants, certifying that the issue of the CCD and Equity Shares to be issued upon conversion of the CCDs, is being made in accordance with the requirements of SEBI ICDR Regulations for Preferential Issues and will be made available for members on the website of the Company [www.dfltd.in](http://www.dfltd.in), and placed at the 26<sup>th</sup> AGM of the Company

#### 4. Other Disclosures:

It is hereby confirmed that neither the Company nor any of its Promoters or Directors are a wilful defaulter.

The Board, in its meeting held on August 7, 2020 has approved the issue of CCDs on preferential basis to the Investor in the manner stated hereinabove, subject to the approval of members and other approvals, as may be required.

In terms of Sections 42, 23 and 71 of the Companies Act, 2013, approval of the shareholders by way of a special resolution is required to issue the CCDs by way of a preferential allotment on private placement basis. Hence, the Board recommends the resolution proposed at Item No.10 for your approval by way of a Special Resolution.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise in the said Resolution except to the extent of their shareholding, if any

#### Item No.11

For meeting the Company's requirement of working capital as well as capital expenditure to support business expansion, repayment of loan and investments by the Company, the Board of Directors of the Company, at its Meeting held on August 07, 2020 accorded approval for issue of upto 17,96,946 (Seventeen Lakh Ninety-Six Thousand Nine Hundred and Forty-Six Only) Convertible Warrants on a Preferential basis, for an aggregate amount of up to Rs.20 Crores (Rupees Twenty Crores only) for cash at par, to the following persons:

No	Investor Name	Category	No of Warrants	Amount
1	Wilson Holdings Private Limited	Promoter	449237	INR 5 crore (Upfront: 1.25 Crore)
2	Mrs. Minaxi Mehta	Promoter Group	449236	INR 5 crore (Upfront: 1.25 Crore)
3	Rohanjeet Singh Juneja	Public(KMP)	359389	INR 4 crore (Upfront: 1 Crore)
4	Karan Neale Desai	Public(KMP)	359389	INR 4 crore (Upfront: 1 Crore)
5	Elios Advisors LLP	Public	179695	INR 2 crore (Upfront: 50 Lakhs)
	Total		1796946	INR 20 crore (Upfront: 5 Crore)

It is proposed to issue and allot up to 17,96,946 (Seventeen Lakh Ninety-Six Thousand Nine Hundred and Forty-Six Only) Convertible Warrants having face value of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) each for cash at par, with aggregate amount of investment upto Rs.20 Crores (Rupees Twenty Crore only), the face value of which will be convertible into Equity Shares of the Company ("Conversion Shares") at a conversion price of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share, which is in compliance with the provisions of Regulation 164 of Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. Warrants holder will have a right to apply for & convert and be allotted 1 (one) Equity Share of face value Rs.10 each of the Company for each Warrant within a period of 18 months from the date of allotment of Warrants.

The Board of Directors, at their meeting held on August 07, 2020 have (subject to the approval of the members and regulatory approvals) approved the proposal to issue the Convertible Warrants.

Pursuant to the provisions of Section 42 and 62 of Companies Act, 2013 ("the Act") and Chapter V of SEBI ICDR Regulations any preferential allotment of Securities needs to be approved by the Members of the Company by way of a Special Resolution. Further, in terms of Chapter V of the SEBI ICDR Regulations, certain disclosures are required to be made to the Members of the Company which forms part of this Explanatory Statement. Details of the Issue are as under:

1. The allotment of the Warrant and Equity Shares on conversion of Warrants so offered shall be in dematerialized form and equity shares issued upon the conversion of the Warrants shall, subject to receipt of necessary approvals, be listed and traded on BSE Limited and shall be subject to the provisions of the memorandum and articles of association of the Company.
2. The tenure of the Warrants shall not exceed 18 (eighteen) months from the date of their allotment.
3. The relevant disclosures as required under Companies Act, 2013 and Chapter V of the SEBI ICDR Regulations are set out below:

(a) **Objects of the preferential issue:** To meet the Company's requirement of working capital as well as capital expenditure to support business expansion, repayment of loan and investments by the Company.

(b) **Type/kind and Number of Securities to be issued, price and amount which the company intends to raise by way of such securities:** Upto 17,96,946 (Seventeen Lakh Ninety-Six Thousand Nine Hundred and Forty-Six Only) Convertible Warrants having face value of Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) each for cash, at par, having a term not exceeding 18 (eighteen) months from the date of allotment, are proposed to be issued against receipt of an aggregate amount of upto Rs. 20 Crores (Rupees Twenty Crores Only) [total amount on allotment of warrants as well as on conversion of warrants into Equity Shares] from various promoter

and non-promoter (KMPs) individuals/entities [proposed allottees].

The price for the conversion of Warrants into Equity Shares is Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share which is higher than the minimum issue price computed as per the SEBI pricing formula for preferential issue, being higher of:

- the average of the weekly high and low of the volume weighted average prices at BSE Limited for 26 weeks prior to the Relevant Date i.e. August 21, 2020 and
- the average of the weekly high and low of the volume weighted average prices at BSE Limited for 2 weeks prior to the Relevant Date. i.e. August 21, 2020.

The price at which the Equity Shares are proposed to be allotted is higher than the minimum price of Rs.101.02.

**(c) Relevant date with reference to which the price has been arrived at:**

The Relevant Date in terms of Regulation 161(a) of the SEBI ICDR Regulations for the purpose of determining the minimum issue price for the issue of equity shares arising on conversion of Warrants is August 21, 2020 as August 22, 2020, the date 30 days prior to the date of passing of special resolution by the shareholders at proposed AGM i.e. September 21, 2020, is weekend and hence August 21, 2020 being the day preceding the weekend days shall be considered as the Relevant Date.

**(d) Proposal/Intent of the Promoters, Directors or Key Management Personnel of the Company to subscribe to the preferential issue:** The convertible warrants are being issued to promoter, promoter group, non promoter individuals who are KMPs and non promoter entity as mentioned hereinabove.

**(e) Shareholding Pattern of the Company before and after the Preferential Issue:** Shareholding pattern before and after the proposed preferential issue, assuming conversion of all Warrants into Equity Shares is provided as Annexure C to the Notice.

**(f) Proposed time within which the preferential issue shall be completed:** As required under the Chapter V of SEBI ICDR Regulations, the Warrants shall be allotted within a period of 15 (fifteen) days from the date of approval of the Members to the proposed 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 (fifteen) days from the date of such approval.

**(g) 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 percentage of the pre and post preferential issue that may be held by them:**

The identity of the natural person who is the ultimate beneficial owner of the shares proposed to be allotted and the percentage of the pre and post preferential issue capital that may be held by proposed Allottees is given below:

Details of proposed allottees	Category & Address	Pre-issue shareholding (no & %)	No of shares proposed to be issued	Post issue shareholding (no & %)	Natural person who are ultimate beneficial owners
Wilson Holdings Private Limited PAN: AAFCT1891G Resident Corporate	<b>Promoter</b> 1st Floor, DJ House, Old Nagardas Road, Andheri (East), Mumbai – 400069	13425954 (53.49%)	449237	13875191 (51.58%)	Nimir Mehta; Minaxi Mehta; and Rushina Mehta
Mrs. Minaxi Mehta PAN: AAJPM2912L Resident Individual	<b>Promoter Group</b> B/21, 3 <sup>rd</sup> Floor, Paritosh, V.L. Mehta Road, Vile Parle-West, Mumbai-49	0 (0.00%)	449236	449236 (1.67%)	NA

Rohanjeet Singh Juneja PAN: ADEPJ4305 L Resident Individual	Public (KMP) 274, Kalpak Crest, Carter Road, Bandra (West), Mumbai – 400 050	0 (0.00%)	359389	359389 (1.34%)	NA
Karan Neale Desai PAN: AGFPD660 1B Resident Individual	Public (KMP) Flat No.1906, 19th Floor, Bldg. A, Interface Heights, Off Link Road, Malad (West), Mumbai 400 064.	10000 (0.01%)	359389	369389 (1.37%)	NA
Elios Advisors LLP PAN: AAIFE4164 D Resident Partnershi p	Public 15, Indraprastha Aakash CHS Ltd, Indraprastha Complex Satyanagar, Borivali West, Mumbai-92	0 (0.00%)	179695	179695 (0.67%)	Megha Chaudhry Juhi Singh
			1796946		

**#Pre Issue shareholding is post conversion of loan into Equity and conversion of all CCDs issued (to promoter as well as Investor)**

**\* After allotment of all the Equity Shares consequent to conversion of loan into Equity Shares, all CCDs into Equity Shares and all Warrants into Equity Shares.**

- PAN of the Proposed Allottee: AAFCT1891G.
- Address: 1<sup>st</sup> Floor, DJ House, Old Nagardas Road, Andheri (East), Mumbai – 400069 (MH).
- Category: Promoter
- Natural person who are ultimate beneficial owners: Nimir Mehta; Minaxi Mehta; and Rushina Mehta.

(h) **Change in control:** There will be no change in control of the Company pursuant to the preferential issue of the Warrants to the proposed allottees.

(i) **Details of earlier allotment on preferential basis during the year:** Wilson Holdings Private Limited

(formerly known as “Truvalue Agro Ventures Private Limited”), Promoters of the Company, was allotted 7,75,200 (Seven Lakh Seventy-five Thousand Two Hundred) Equity Shares of face value of Rs.10/- each at a premium of Rs. 54.50/- per Equity Share on April 3, 2020 upon exercise of option for conversion of equivalent number of Warrants, which were issued on preferential basis, pursuant to and in terms of shareholders’ approval dated September 28, 2018.

(j) **Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:** Not applicable, as the allotment of the Warrants is proposed to be made is not for consideration other than cash. It is proposed to issue and allot Warrants to proposed allottees for cash only.

(k) **Undertaking by the Company under the provisions of Regulations 163(1)(g) and (h) of the SEBI ICDR Regulations:**

Since the equity shares of the Company have been listed on the recognised Stock Exchanges for a period of more than 26 weeks prior to the Relevant Date, it is not required to re-compute the price per equity share to be issued on conversion of Warrants and therefore, the Company is not required to submit the undertaking specified under the relevant provisions of the SEBI (ICDR) Regulations.

(m) **Basis of Pricing of the Preferential issue:** The Equity Shares on conversion of Warrants will be allotted in accordance with the price which has been determined in terms of Regulation 164(1) of the SEBI ICDR Regulations. The Equity Shares on conversion of Warrants shall be allotted at a price not less than higher of the following:

- The average of the weekly high and low of the volume weighted average price of the Equity Shares quoted on the BSE Limited during the twenty-six weeks preceding the relevant date; or
- The average of the weekly high and low of the volume weighted average prices of the Equity



Shares quoted on BSE Limited during the two weeks preceding the relevant date.

As per the calculations, the average of the weekly High and low of the Volume Weighted Average Price of the Equity Shares of the Company quoted on BSE Limited for 26 weeks and 2 weeks of preceding the Relevant Date stands at Rs.79.22 and Rs.101.02 respectively. Hence, the minimum price in accordance with the Regulation 164 of SEBI ICDR Regulations is Rs.101.02. However, the conversion price of Warrants into Equity Shares has been fixed as Rs.111.30 (including premium of Rs.101.30 each) per share which is higher price than the minimum issue price as per the pricing formula prescribed under the SEBI ICDR Regulations.

- (n) **Lock in period:** The Warrants and the Equity Shares to be allotted upon conversion of the Warrants will be subject to applicable lock-in and transfer restrictions stipulated under SEBI ICDR Regulations.

The entire pre-preferential allotment shareholding of the Proposed Allottees, if any, shall be locked-in from the Relevant Date up to a period of six months from the date of trading approval granted by the Stock Exchange/allotment of Warrants.

- (o) **Basis on which the price has been arrived at along with report of the registered valuer:** As such this is not applicable in the present case since the Company is a listed Company and the pricing is in terms of the SEBI ICDR Regulations. However, it is agreed that the issue price/conversion price shall be Rs.111.30 (Rupees One Hundred and Eleven and Thirty paise only) per Equity Share which is higher than the minimum issue price determined as on Relevant Date in accordance with Regulation 164 of the SEBI ICDR Regulations.
- (p) **Non-Disposal of Shares:** None of the proposed allottees has sold any equity shares in the Company during the six months preceding the Relevant Date. The issue of Warrants is in accordance with the provisions of the memorandum and articles of association of the Company.
- (q) **Payment Terms:** In accordance with Regulation 169 of the ICDR Regulations, the 25% of the total

consideration determined in terms of Regulation 164 of the SEBI ICDR Regulations, shall be paid on or before the date of allotment of the Warrants.

**(r) Other Terms and Conditions for Issue of Equity Shares**

- 1) The allotment of Warrants will not require making of an open offer under SEBI SAST Regulations. The aforesaid proposed allottees shall be required to comply with the relevant provisions of the SEBI SAST Regulations.
- 2) The Equity Shares arising on conversion of Warrants issued pursuant to the proposed resolution shall rank pari-passu in all respects with the existing Equity Shares of the Company and will be listed on BSE Limited where the Equity Shares of the Company are listed.

**(s) Auditor's Certificate:** A copy of the certificate from the Statutory Auditors of the Company, Haribhakti & Co. LLP, Chartered Accountants, certifying that the issue of the Warrants and Equity Shares to be issued upon conversion of the Warrants, is being made in accordance with the requirements of SEBI ICDR Regulations for Preferential Issues and will be made available for members on the website of the Company [www.dfltd.in](http://www.dfltd.in), and placed at the 26th AGM of the Company

**4. Other Disclosures:**

- i. It is hereby confirmed that neither the Company nor any of its Promoters or Directors are a wilful defaulter.
- ii. The Board, in its meeting held on August 7, 2020 has approved the issue of Warrants on preferential basis to the proposed allottees in the manner stated hereinabove, subject to the approval of members and other approvals, as may be required.

In terms of Sections 42 and 62 the Companies Act, 2013, approval of the shareholders by way of a special resolution is required to issue the Warrants by way of a preferential allotment on private placement basis. Hence, the Board recommends the resolution proposed at Item No.11 for your approval by way of a Special Resolution.

As per Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015, related parties of the Company shall abstain from voting on said resolution.

Except Mr. Nimir Kishore Mehta, Mr. Ashish Sharad Dalal, Mr. Rohanjeet Singh Juneja, Mr. Karan Neale Desai and their relatives, none of the Directors or Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the Resolutions set out at Item No.11 of the Notice.

#### **Item No.12**

The Board of Directors of the Company ("Board") at its meeting held on June 15, 2020 had approved the execution of the Shareholders' Agreement ("SHA") between the Company, Wilson Holdings Private Limited ("Promoter" of the Company') and Turning Leaf Fund I Pte. Ltd. ("Investor").

However, in view of the amendment to the Shareholders Agreement, the Board of Directors of the Company ("Board") at its meeting held on August 07, 2020 had approved the execution of the Amended Shareholders' Agreement ("SHA") between the Company, Wilson Holdings Private Limited ("Promoter" of the Company') and Turning Leaf Fund I Pte. Ltd. ("Investor").

Therefore, in order to give effect to the provisions of the Amended SHA and to record the understanding of the shareholders of the Company in the Articles of Association of the Company ("AOA"), it is proposed to adopt the regulations contained in the restated AoA of the Company, which divides the AoA into Part A (comprising of Articles 1 – 97) i.e., existing AoA and Part B (comprising of Articles 98 – 132) incorporating the relevant provisions of the Amended SHA into the AOA.

The draft of the restated AOA is circulated along with the this notice as Annexure I for the kind perusal of the Members.

The Board has granted its approval to the amendment in the AOA vide resolution dated August 07, 2020. In terms of Section 5 of the Companies Act, 2013, approval of the Members by way of a special resolution is required for including provisions for entrenchment in the Articles of Association. Further, as per Section 14 of the Companies Act, 2013, for alteration of the Articles of Association of the Company, approval of the Members by way of a special resolution is required.

In view of the above, the Board recommend the Resolution set out in Item No. 12 of the Notice for approval by the Members as Special Resolution.

As per Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, related parties of the Company shall abstain from voting on said resolution.

Except Mr. Ashish Sharad Dalal, and his relatives, none of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company.

#### **Item No.13**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company (the "Board") had appointed Mr. Rohanjeet Singh Juneja (DIN: 08342094) as the Additional Director and Joint Managing Director on the Board of the Company with effect from December 17, 2019, subject to the approval of the Members of the Company. The Nomination and Remuneration Committee and Audit Committee have approved the terms and conditions of Mr. Rohanjeet Singh Juneja appointment, as he, being a key managerial personnel, is a related party as per Section 2(76) of the Companies Act, 2013 ("the Act").

Mr. Juneja was appointed as an Additional Director on the Board of the Company on December 17, 2019. He is an investment banker and hedge fund manager with over 17 years of experience in research, strategy, portfolio management, financial analysis and mergers & acquisitions. He started his career in 2002 as Equity Research Associate with Keefe Bruyette & Woods and was elevated to the position of Assistant Vice President. He subsequently worked with Front Point Partners, L.P. as Financial Analyst and Vice President from 2007 to 2011 where he extensively worked on analysis, research and investment in financial services and real estate companies in India and USA. He was associated with Seawolf Capital LLC from 2011 to 2017 as Vice President, responsible for investing and managing a portfolio of listed equities within financial services companies in India, China and USA, he also worked on companies in similar sectors located in Australia, Brazil and Canada. From 2017 to 2019 he was with WGC Management Services Private Limited as Head

of Research & Strategy, where he was part of the core group that led strategy for and affordable housing and education finance company that are now part of Blackstone Group and Warburg Pincus, respectively. The remuneration and other terms and conditions of the appointment of Mr. Juneja as the Joint Managing Director as set out in the resolution are subject to your approval

Details required to be disclosed in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 form part of this Notice.

The Board recommends the Special Resolution as set out in Item No. 10 of the Notice for approval by the Members of the Company. Except Mr. Rohanjeet Singh Juneja, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, in the Resolutions set out at Item Nos. 13 of the Notice.

#### **Item No.14**

The Shareholders had vide resolution passed at the 24<sup>th</sup> AGM of the Company held on September 28, 2018 approved the appointment of Mr. Karan Neale Desai (DIN: 05285546) as the Managing Director on the Board of the Company with effect from August 11, 2018 for a period of 3 years.

Consequent to joining of Mr. Rohanjeet Singh Juneja as Joint Managing Director, the Board at its meeting held on December 17, 2019 had approved the proposal to re-designate Mr. Karan Neale Desai as Joint Managing Director from the existing position of Managing Director and Chief Executive Officer, pursuant to recommendation of Nomination and Remuneration Committee

There will not be any changes in the other terms and condition of appointment of Mr. Desai including his current remuneration structure.

Details required to be disclosed in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 form part of this Notice.

The Board recommends the Special Resolution as set out in Item No. 11 of the Notice for approval by the Members of the Company. Except Mr. Karan Neale Desai, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, in the Resolutions set out at Item Nos. 14 of the Notice.

**By Order of the Board of Directors  
For Dhanvarsha Finvest Limited**

Sd/-

August 22, 2020  
Mumbai

**Fredrick Pinto  
Company Secretary  
ACS-22085**

**Annexure A: Shareholding pattern before and after conversion of un-secured loan to Equity on the preferential issue:**

Particulars	Pre-issue shareholding		Post issue shareholding	
	No. of Shares	Shareholding %	No. of Shares	Shareholding %
A. Promoter Shareholding				
1. Indian Promoters				
Wilson Holdings Private Limited	8457400	59.02%	9382827	61.51%
2. Foreign Promoters	0	0	0	0
Sub Total (A)	8457400	59.02%	9382827	61.51%
B. Public Shareholding				
I. Institutional Investors				
a) Mutual Funds	0	0	0	0
b) Venture Capital Funds	0	0	0	0
c) Alternate Investment Funds	0	0	0	0
d) Foreign venture Capital Investors	0	0	0	0
e) Foreign Portfolio Investors	0	0	0	0
f) Financial Institutions/Banks	0	0	0	0
g) Insurance Companies	0	0	0	0
h) Provident Funds/Pension Funds	0	0	0	0
i) Any Other	0	0	0	0
II. Central Government/Statement Government(s) President of India	0	0	0	0
III. Non-Institutions				
(a) Individual Shareholders	4560504	31.83%	4560504	29.90%
(b) NBFCs registered with RBI	0	0	0	0
(c) Employee Trusts	0	0	0	0
(d) Overseas Depositories (holding DRs)	0	0	0	0
(e) Any Other (including NRI and other Body Corporates)	13,11,552	9.15%	13,11,552	8.60%
i. HUFs	274301	1.91%	274301	1.80%
ii. NRIs	54,026	0.38%	54,026	0.35%
Other Bodies Corporate	983225	6.86%	983225	6.45%
Total Public Shareholding (B)	58,72,056	40.98%	58,72,056	38.49%
C. Non Promoter-Non Public Shareholders				
1. Custodian/DR Holder	0	0	0	0
2. Employee Benefit Trustee	0	0	0	0
Total Non Promoter-Non Public Shareholder (C)	0	0	0	0
Grand Total (A+B+C)	1,43,29,456	100.00%	1,52,54,883	100.00%

The post- issue shareholding pattern has been arrived on the assumption that 925,427 Equity shares will be issued and allotted on conversion of unsecured loan to Equity Shares. The allotment of ESOPs consequent approval of Notice has not been considered for the aforesaid calculation

**Annexure B: Shareholding pattern before and after issuance of CCDs on the preferential issue:**

Particulars	Pre-issue shareholding i.e., Existing shareholding as on the date of Notice of AGM		Pre-issue shareholding i.e., before conversion of CCDs into Equity Shares but post conversion of Loan into Equity Shares (Part-A)		Post issue shareholding i.e., post conversion of CCDs into Equity Shares (Part-B)	
	No. of Shares	Shareholding %	No. of Shares	Shareholding %	No. of Shares	Shareholding %
<b>A. Promoter Shareholding</b>						
1. Indian Promoters						
Wilson Holdings Private Limited	8457400	59.02%	9382827	61.51%	13425954	53.49%
2. Foreign Promoters	0	0.00%	0	0.00%	0	0.00%
Sub Total (A)	8457400	59.02%	9382827	61.51%	13425954	53.49%
<b>B. Public Shareholding</b>						
I. Institutional Investors						
a) Mutual Funds	0	0.00%	0	0.00%	0	0.00%
b) Venture Capital Funds	0	0.00%	0	0.00%	0	0.00%
c) Alternate Investment Funds	0	0.00%	0	0.00%	0	0.00%
d) Foreign venture Capital Investors	0	0.00%	0	0.00%	0	0.00%
e) Foreign Portfolio Investors	0	0.00%	0	0.00%	0	0.00%
f) Financial Institutions/Banks	0	0.00%	0	0.00%	0	0.00%
g) Insurance Companies	0	0.00%	0	0.00%	0	0.00%
h) Provident Funds/Pension Funds	0	0.00%	0	0.00%	0	0.00%
i) Any Other	0	0.00%	0	0.00%	0	0.00%
II. Central Government/State/ Government(s)/ President of India	0	0.00%	0	0.00%	0	0.00%
III. Non-Institutions						
(a) Individual Shareholders	4560504	31.83%	4560504	29.90%	45,60,504	18.17%
(b) NBFCs registered with RBI	0	0.00%	0	0.00%	0	0.00%
(c) Employee Trusts	0	0.00%	0	0.00%	0	0.00%
(d) Overseas Depositories (hold. DRs)	0	0.00%	0	0.00%	0	0.00%
(e) Any Other (including NRI and other Body Corporates)	13,11,552	9.15%	1311552	8.60%	71,15,685	28.35%
i.HUFs	274301	1.91%	274301	1.80%	2,74,301	1.09%
ii. NRIs	54,026	0.38%	54026	0.35%	54,026	0.22%
iii.Other Bodies Corporate	983225	6.86%	983225	6.45%	9,83,225	3.92%
Turning Leaf Fund I Pte. Ltd. \$	0		0	0.00%	58,04,133	23.12%
Total Public Shareholding (B)	5872056	40.98%	5872056	38.49%	11676189	46.51%
<b>C. Non Promoter-Non Public Shareholders</b>						
1. Custodian/DR Holder	0	0.00%	0	0.00%	0	0.00%
2. Employee Benefit Trustee	0	0.00%	0	0.00%	0	0.00%
Total Non Promoter-Non Public Shareholder (C)	0	0.00%	0	0.00%	0	0.00%
Grand Total (A+B+C)	1,43,29,456	100.00%	1,52,54,883	100.00%	2,51,02,143	100.00%

The post- issue shareholding pattern has been arrived on the assumption that Equity shares will be issued and allotted on conversion of CCDs. The allotment of ESOPs consequent approval of Notice has not been considered for the aforesaid calculation

**Annexure C: Shareholding pattern before and after issuance of Convertible Warrants on the preferential issue:**

Particulars	Pre-issue shareholding i.e., Existing shareholding as on the date of Notice of AGM		Pre-issue shareholding i.e., before conversion of Warrants into Equity Shares but post conversion of Loan and CCDs into Equity Shares (Part-A)		Post issue shareholding i.e., post conversion of Warrants into Equity Shares	
	No. of Shares	Shareholding %	No. of Shares	Shareholding %	(Part-B) No. of Shares	Shareholding %
A. Promoter Shareholding						
1. Indian Promoters						
Individual/HUF						
Mrs. Minaxi Mehta	0	0.00%	0	0.00%	449236	1.67%
Any other						
Wilson Holdings Private Limited	8457400	59.02%	13425954	53.49%	13875191	51.58%
2. Foreign Promoters	0	0	0	0.00%	0	0.00%
Sub Total (A)	8457400	59.02%	13425954	53.49%	14324427	53.25%
B. Public Shareholding						
I. Institutional Investors						
a) Mutual Funds	0	0.00%	0	0.00%	0	0.00%
b) Venture Capital Funds	0	0.00%	0	0.00%	0	0.00%
c) Alternate Investment Funds	0	0.00%	0	0.00%	0	0.00%
d) Foreign venture Capital Investors	0	0.00%	0	0.00%	0	0.00%
e) Foreign Portfolio Investors	0	0.00%	0	0.00%	0	0.00%
f) Financial Institutions/Banks	0	0.00%	0	0.00%	0	0.00%
g) Insurance Companies	0	0.00%	0	0.00%	0	0.00%
h) Provident Funds/Pension Funds	0	0.00%	0	0.00%	0	0.00%
i) Any Other	0	0.00%	0	0.00%	0	0.00%
II. Central Government/Statement Government(s)/ President of India	0	0.00%	0	0.00%	0	0.00%
III. Non-Institutions						
(a) Individual Shareholders	4560504	31.83%	45,60,504	18.17%	52,79,282	19.63%



	0	0				
(b) NBFCs registered with RBI	0	0	0	0.00%	0	0.00%
(c) Employee Trusts	0	0	0	0.00%	0	0.00%
(d) Overseas Depositories (hold. DRs)			0	0.00%	0	0.00%
(e) Any Other (including NRI and other Body Corporates	13,11,552	9.15%	71,15,685	28.35%	72,95,380	27.12%
i.HUFs	274301	1.91%	2,74,301	1.09%	2,74,301	1.02%
ii. NRIs	54,026	0.38%	54,026	0.22%	54,026	0.20%
iii.Other Bodies Corporate	983225	6.86%	9,83,225	3.92%	11,62,920	4.32%
Turning Leaf Fund I Pte. Ltd. <sup>\$</sup>	0	0.00%	58,04,133	23.12%	58,04,133	21.58%
Total Public Shareholding (B)	5872056	40.98%	1,16,76,189	46.51%	1,25,74,662	46.75%
C. Non Promoter-Non Public Shareholders						
1. Custodian/DR Holder	0	0.00%	0	0.00%	0	0.00%
2. Employee Benefit Trustee	0	0.00%	0	0.00%	0	0.00%
Total Non Promoter-Non Public Shareholder (C)	0	0.00%	0	0.00%	0	0.00%
Grand Total (A+B+C)	1,43,29,456	100.00%	2,51,02,143	100.00%	2,68,99,089	100.00%

The post- issue shareholding pattern has been arrived on the assumption that Equity shares will be issued and allotted on conversion of Warrants. The allotment of ESOPs consequent approval of Notice has not been considered for the aforesaid calculation

**Information as required under Regulation 36(3) of the Listing Regulations and Clause 1.2.5 of the Secretarial Standard-2 w.r.t. appointment / reappointment of Directors at the AGM.**

Name of the Director	Mr. Rakesh Sethi	Mr. Rajiv Kapoor	Mr. Ashish Dalal	Mr. Rohanjeet Singh Juneja	Mr. Karan Neale Desai
DIN	02420709	08204049	00024632	08342094	05285546
Date of First Appointment	October 15, 2019	February 03, 2020	August 10, 2018	December 17, 2019	August 11, 2018
Expertise in specific functional areas & Qualifications	As given below	As given below	As given below	As given below	As given below
Terms and Conditions of Appointment	Appointed as Independent Director not liable to retire by rotation.	Appointed as Independent Director not liable to retire by rotation.	Appointed as Non-Executive Director not liable to retire by rotation.	Appointed as Joint Managing Director on Terms & Conditions given in Item No. 10	Re-designated as Joint Managing Director on Terms & Conditions given in Item No. 11
Remuneration last drawn (including sitting fee, commission, if any)	Sitting Fees – Rs.4,25,000/-	Sitting Fees – Rs.1,00,000/-	Sitting Fees – Rs.5,00,000/- Commission – Rs. 62,960/-	As mentioned in proposed Resolution	As mentioned in proposed Resolution
Number of Meetings of the Board attended during the Financial Year (2019-20)	3 meetings.	1 meeting	3 meetings	1 meeting	5 meetings
Directorship held in other companies	Mr. Sethi is currently associated with Machino Polymers Limited as Non-Executive Independent Director since August 16, 2018	Mr. Kapoor is on the Board of Empower Mobility Solutions Private Limited, a Digital Healthcare start up with focus on B2C emergency.	NRAM Regent Private Limited	Mr. Juneja is a Designated Partner in M/s VSL Consulting LLP	Mr. Desai is a Director in Exerfit Wellness Private Limited
Committee Chairmanship / Membership in other public companies	Mr. Sethi is member of the following committees of the Company: i. Nomination and Remuneration Committee – Member. ii. Finance Committee – Member	Mr. Sethi is member of the following committees of the Company: i. Audit Committee – Member. ii. Stakeholders Relationship Committee – Member	Mr. Dalal is member of the following committees of the Company: i. Nomination and Remuneration Committee ii. Stakeholders Relationship Committee	Mr. Juneja is a member of the following Committees: - Finance Committee – Member; - Capital Raising Committee – Member	Mr. Desai is a member of the following Committees: - Stakeholders' Relationship Committee – Member; - Capital Raising Committee – Member
Shareholdings in the Company	Mr. Sethi does not hold Equity Shares / Stock Options in the Company.	Mr. Kapoor does not hold Equity Shares / Stock Options in the Company.	Mr. Dalal is Director of Truvalue Agro Ventures Private Limited, which holds 84,57,400 Equity Shares (52.30%) in the Company. He does not hold Stock	Mr. Rohanjeet Singh Juneja holds 6,75,000 Stock Options in the Company, as on the date of this Notice	Mr. Desai holds 6,65,000 Stock Options and 10000 Shares in the Company, as on the date of this Notice

			Options in the Company.		
Relationship between Directors & Key Managerial Personnel	Mr. Sethi is not related to any Director or Key Managerial Personnel of the Company.	Mr. Kapoor is not related to any Director or Key Managerial Personnel of the Company.	Mr. Dalal is not related to any director or Key Managerial Personnel of the Company, except Mr. Nimir Kishore Mehta, who is his Son-in-law.	Mr. Juneja is not related to any Director or Key Managerial Personnel of the Company.	Mr. Desai is not related to any Director or Key Managerial Personnel of the Company.

**Brief profile of Directors seeking appointment/re-appointment at the 26th Annual General Meeting to be held on September 21, 2020**

**1. Mr. Rakesh Sethi:**

Mr. Rakesh Sethi is a professional banker with over 38 years of experience in Banking. Mr. Sethi is a Gold Medalist in Master of Commerce from the Osmania University, Hyderabad. He started his banking with Andhra Bank where he rose to the position of General Manager, before being appointed by the Government of India as Executive Director with Punjab National Bank ("PNB") from January 1, 2011 to March 11, 2014. He was Chairman and Managing Director of Allahabad Bank from March 12, 2014 to April 30, 2017. During his career as a banker, he has worked in various positions and has acquired rich experience in banking. Besides handling varied assignments, including Corporate Banking, Foreign Exchange, Credit, Risk Management, Deposit Planning, Corporate Communications, Government Business.

**2. Mr. Rajiv Kapoor:**

Mr. Rajiv Kapoor is a marketing professional with over 38 years of experience in Marketing, Sales, Consulting and Corporate Advisory. Mr. Kapoor is Post Graduate Diploma in Management from the Indian Institute of Management (IIM) – Calcutta and Bachelor of Technology in Chemical Engineering (B.Tech.) Indian Institute of Technology (IIT), New Delhi. He started his career in 1978 and worked with multiple International Companies viz., Proctor and Gamble, Nestle, Pepsico and Visa Inc. in multiple geographies including India, Switzerland, Australia, Singapore, United Kingdom, covering international geographies across Asia Pacific, Middle East, Eastern Europe, Russia and Africa. Mr. Kapoor has been engaged as an Advisor and Consultant for Banks and start-ups in Fintech/Agri-equipment sharing digital domains; Market Research & Data Analytics Companies and VR/AR Advisory for content creation.

**3. Mr. Ashish Dalal:**

Mr. Ashish Dalal was the founder and Managing Partner of Dalal & Shah, Chartered Accounts which was widely regarded as one of the country's top accounting and auditing firms prior to it being merged into the PwC network. Mr. Dalal is highly experience in corporate accounting, finance, audit, business evaluations, mergers, acquisitions, strategic alliances and other fields of corporate consultancy. Mr. Dalal is on the Advisory Boards of the Piramal Group Company – Indiareit Fund Advisors Private Limited. He holds a Bachelor's Degree in Commerce and is a Fellow Member of the Institute of Chartered Accountants of India since 1982.

**4. Mr. Rohanjeet Singh Juneja:**

Mr. Juneja was appointed as an Additional Director on the Board of the Company on December 17, 2019. He is an investment banker and hedge fund manager with over 17 years of experience in research, strategy, portfolio management, financial analysis and mergers & acquisitions. He started his career in 2002 as Equity Research Associate with Keefe Bruyette & Woods and was elevated to the position of Assistant Vice President. He subsequently worked with Front Point Partners, L.P. as Financial Analyst and Vice President from 2007 to 2011 where he extensively worked on analysis, research and investment in financial services and real estate companies in India and USA. He was associated with Seawolf Capital LLC from 2011 to 2017 as Vice President, responsible for investing and managing a portfolio of listed equities within financial services companies in India, China and USA, he also worked on companies in similar sectors located in Australia, Brazil and Canada. From 2017 to 2019 he was with WGC

Management Services Private Limited as Head of Research & Strategy, where he was part of the core group that led strategy for and affordable housing and education finance company that are now part of Blackstone Group and Warburg Pincus, respectively.

**5. Mr. Karan Neale Desai**

Mr. Karan Neale Desai, age 34 years, was appointed as the Managing Director and Chief Executive Officer of Dhanvarsha Finvest Limited w.e.f. August 11, 2018 subject necessary approvals for a term of three (3) years.. He has more than a decades experience in financial services sector. He was previously associated with Bank of America, PricewaterhouseCoopers and as head of Corporate Finance at Centrum Capital. He also served as the Chief Operating Officer of a PE fund backed healthcare services company prior to joining Dhanvarsha Finvest Limited. He is a Masters degree holder in International Business & Management from Westminster Business School, London and a commerce graduate from Narsee Monjee College, Mumbai.