

**NOTICE OF EXTRA ORDINARY GENERAL MEETING**

Notice is hereby given that an Extra Ordinary General Meeting of the Members of IL&FS Financial Services Limited will be held at a shorter notice on Monday, July 23, 2018 at 9.00 am at its registered office at The IL&FS Financial Centre, Plot No C-22, G Block, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051 to transact the following business as a special business:

**(1) Item No 1 – Increase in Authorised Share Capital of the Company:**

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 13, 61, 64 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the provisions of the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to increase the authorised share capital of the Company

from existing ₹ 1050,00,00,000/- (Rupees One Thousand Fifty Crores Only) divided into :

- (i) 30,00,00,000 (Thirty Crores) Equity Shares of ₹ 10/- each and
- (ii) 10,00,000 (Ten Lakhs) Non-Convertible Redeemable Cumulative Preference Shares of ₹ 7,500/- each

to ₹ 2750,00,00,000/- (Rupees Two Thousand Seven Hundred Fifty Crores Only) divided into:

- (i) 100,00,00,000 (One Hundred Crores) Equity Shares of ₹ 10/- each,
- (ii) 10,00,000 (Ten Lakhs) Non-Convertible Redeemable Cumulative Preference Shares of ₹ 7,500/- each, and
- (iii) by way of additional creation of 10,00,00,000 (Ten Crore) Convertible Cumulative Preference Shares of ₹ 100/- each

**“RESOLVED FURTHER THAT** the Board of Directors/ Committee of Directors be and are hereby authorized to do all such acts, deeds and things and execute all such documents and writings, as it may in its absolute discretion deem necessary or incidental thereto including paying such fees and incurring such expenses in relation thereto as it may deem appropriate and to file such documents, forms, etc, as required with the regulatory/statutory authorities and authorise the officials of the Company for the aforesaid purpose, as may be deemed fit”



**“RESOLVED FURTHER THAT** any one Director of the Company or the Company Secretary be and is hereby authorized severally to take all such steps to give effect to this Resolution including filing of e-forms or furnish such other documents/information for the purpose of compliance under the Companies Act, 2013 and Rules framed thereunder and/or under any other applicable laws to furnish a certified true copy of this Resolution as and when required”

**(2) Item No 2 – Alteration of Memorandum of Association of the Company:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 4 and 13 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the consent of the members of the Company be and is hereby accorded to replace existing Clause V of the Memorandum of Association with the following clause:

**“(V)** The Authorised Share Capital of the Company is ₹ 2750,00,00,000/- (Rupees Two Thousand Seven Hundred Fifty Crores Only) divided into:

- (i) 100,00,00,000 (One Hundred Crores) Equity Shares of ₹ 10/- each
- (ii) 10,00,000 (Ten Lakhs) Non-Convertible Redeemable Cumulative Preference Shares of ₹ 7,500/- each and
- (iii) 10,00,00,000 (Ten Crores) Convertible Cumulative Preference Shares of ₹ 100/- each

with the rights, privileges and conditions attached thereto as may be permitted by the law or provided by the Articles of Association of the Company for the time-being in force and with the power to increase, or reduce, or cancel or consolidate or divide or to re-classify into several classes or denomination, its capital and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions in such manner as may from time to time, be permitted by law or provided by the Articles of Association of the Company for the time-being in force”

**“RESOLVED FURTHER THAT** the Board of Directors and /or Committee of Directors be and are hereby authorized to do all such acts, deeds and things and execute all such documents and writings, as it may in its absolute discretion deem necessary or incidental thereto including paying such fees and incurring such expenses in relation thereto as it may deem appropriate and to file such documents, forms, etc, as may be required with the regulatory/statutory authorities and authorise the officials of the Company for the aforesaid purpose, as may be deemed fit”



**(3) Item No 3 – Alteration of Articles of Association of the Company:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 5 and 14 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the consent of the members of the Company be and is hereby accorded to replace Clause 3 of the Articles of Association with the following clause:

- (3) “The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of Memorandum of Association for the time-being in force or as may be varied from time to time, under the provisions of the Act, with the rights, privileges and conditions attached thereto as may be permitted by the law or provided by the Articles of Association of the Company for the time-being in force and with the power to increase, or reduce, or cancel or consolidate or divide or to re-classify into several classes or denomination, its capital and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions in such manner as may from time to time, be permitted by law or provided by the Articles of Association of the Company for the time-being in force”

The paid up Share Capital of the Company shall be a minimum of ₹ 500,000/- (Rupees Five Lakhs Only)”

**“RESOLVED FURTHER THAT** the Board of Directors and / or Committee of Directors be and are hereby authorized to do all such acts, deeds and things and execute all such documents and writings, as it may in its absolute discretion deem necessary or incidental thereto including paying such fees and incurring such expenses in relation thereto as it may deem appropriate and to file such documents, forms, etc, as may be required with the regulatory/statutory authorities and authorise the officials of the Company for the aforesaid purpose, as may be deemed fit”



**(4) Item No 4 – Issuance of Compulsorily Convertible Cumulative Preference Shares (CCCPS):**

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 42, 43, 47, 55, 62, 123, 179 and other applicable provisions, if any of the Companies Act, 2013 (“the Act”) read with Rules framed thereunder, as may be amended from time to time and in accordance with the Memorandum and the Articles of Association of the Company and any rules, regulations/guidelines, if any, prescribed by any relevant authorities from time to time, to the extent applicable and subject to such other approvals as may be necessary and subject to such terms, conditions and modifications as may be considered necessary by the Board of Directors (hereinafter referred to as the ‘Board’ which term shall be deemed to include any Committee thereof or any other person(s) for the time being exercising the powers conferred on the Board by this Resolution), the consent of the Members be and is hereby accorded to the Board to offer, issue and allot upto 5,00,00,000 Compulsorily Convertible Cumulative Preference Shares (“CCCPS”) of ₹ 100 each aggregating to ₹ 500,00,00,000/-, for cash at par, as provided herein below, on a Private Placement basis in such form, manner, within such period, and upon such terms and conditions, to such persons or persons, whether or not they are members of the Company, as the Board may in its absolute discretion deem fit and proper”

**“RESOLVED FURTHER THAT** the particulars of offer(s) in accordance with but not limited to the provisions of Section 55 of the Act and the Companies (Share Capital and Debentures) Rules, 2014 shall be as under:

- the CCCPS shall be non-participating in the surplus funds
- the CCCPS shall carry a preferential right vis-à-vis equity shares of the Company with respect to payment of dividend and repayment in case of a winding up or repayment of capital
- the CCCPS shall carry no voting rights other than to the extent specified under Section 47 (2) of the Companies Act, 2013
- the CCCPS shall not be redeemable but shall be compulsorily convertible
- the holders of CCCPS shall be paid dividend on a cumulative basis”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid Resolution, the Board be and is hereby authorised to take such actions and to give all such directions, or to do all such acts, deeds, matters, and things as may be necessary or desirable in this respect including but not limited to :

- to execute all such deeds, documents, application, forms in this connection
- to authorise officials of the Company to act for and on behalf of the Company in this regard



- to decide timing, date of conversion, conversion ratio, rate(s) of dividend, allotment, dematerialization and other terms and conditions of issue of CCCPS and to make such modifications and alterations from time to time as it deems fit in the terms and conditions of issue of CCCPS
- to take such steps to resolve all questions incidental to issue and allotment of CCCPS in its absolute discretion without any further approval of the Members of the Company and the decision of the Board shall be final and conclusive
- to do all such acts, deeds and things and execute all such documents and writings, as it may in its absolute discretion deem necessary or incidental thereto including paying such fees and incurring such expenses in relation thereto as may be deemed fit”

**“RESOLVED FURTHER THAT** any one Director of the Company or the Company Secretary be and is hereby authorized severally to take all such steps to give effect to this Resolution including filing of e-forms or furnish such other documents/information for the purpose of compliance under the Companies Act, 2013 and Rules framed thereunder and/or under any other applicable laws to furnish a certified true copy of this Resolution as and when required”

**Regd Office:**  
**IL&FS Financial Services Limited**  
CIN : U65990MH1995PLC093241  
The IL&FS Financial Centre  
Plot No C-22, G Block  
Bandra Kurla Complex  
Bandra (East), Mumbai 400 051

**By Order of the Board of Directors  
For IL&FS Financial Services Limited**



**Neelam Desai**  
**Company Secretary**  
**Membership No: A9503**

**Date: July 18, 2018**  
**Place: Mumbai**

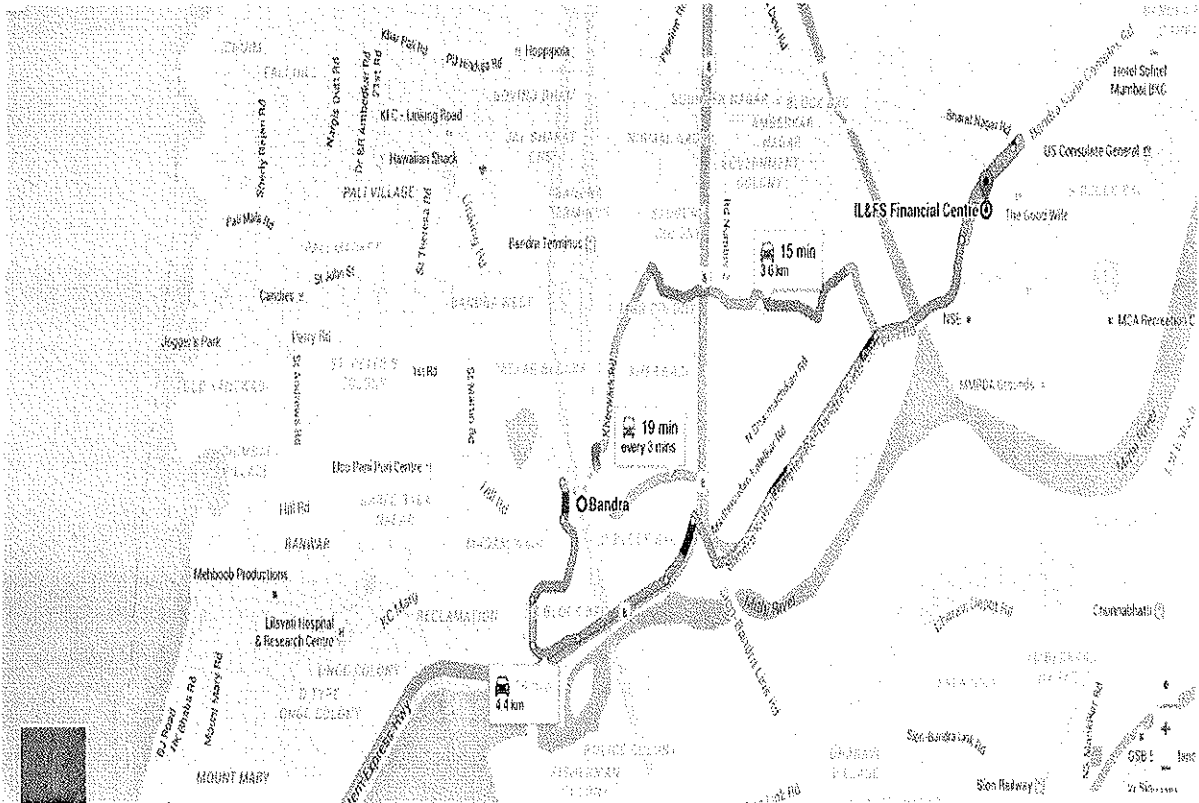


**NOTES:**

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING
- (b) Pursuant to the provisions of the Companies Act, 2013 and the underlying rules viz. Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights
- (c) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting
- (d) The Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 setting out the material facts and the reasons thereof is annexed herewith
- (e) Members/ Proxies are requested to bring their Attendance Slip duly filled in to the Meeting
- (f) Members who hold shares in dematerialized form, are requested to bring their depository account number (Client ID No.) for easier identification and recording of attendance at the meeting
- (g) Members are requested to notify any change in their address / bank account details to:
  - (i) their Depository Participants (DPs) in respect of shares held in the Demat Form, and
  - (ii) the Company at its Registered Office in respect of shares held in physical form, quoting their Folio number
- (h) For the purpose of receiving any communication from the Company, Members are requested to register their e-mail address or any changes therein with:
  - (i) their Depository Participants (DPs) in respect of shares held in the Demat Form, or
  - (ii) the Company at its Registered Office



(j) Road map to reach to the venue of the Meeting from the nearest railway stations is provided below:



**EXPLANATORY STATEMENT**

The following Explanatory Statement set out the material facts as required under Section 102 (1) of the Companies Act, 2013 (the Act) relating to the Special Business mentioned in the accompanying Notice:

**Item No 1, 2 & 3:**

The Company proposes to raise funds upto ₹ 500 crores by issuing Non-Participating Compulsorily Convertible Cumulative Preference Shares (CCCPS). The existing Authorised Share Capital of the Company is ₹ 1050,00,00,000/- (Rupees One Thousand Fifty crores) divided into 30,00,00,000 (Thirty Crores) Equity Shares of ₹ 10/- each and 10,00,000 (Ten Lakhs) Non-Convertible Redeemable Cumulative Preference Shares of ₹ 7,500/- each which would not be sufficient for the proposed issuance of CCCPS

In view of above, the Company proposes to increase the Authorised share capital from ₹ 1050,00,00,000/- (Rupees One Thousand Fifty crores) to ₹ 2750,00,00,000/- (Rupees Two Thousand Seven Hundred Fifty Crores Only) by way of increase in the equity share capital to 100,00,00,000 Equity Shares of ₹ 10/- each and by way of additional creation of 10,00,00,000 (Ten Crores) Convertible Cumulative Preference Shares of ₹ 100/- each

The proposed increase in Authorised share capital will consequently require alteration in Clause V and Clause 3 of the Memorandum and Articles of Association of the Company

The Special resolution is therefore proposed at item no 1, 2 and 3 of the notice to increase the Authorised Share Capital of the Company and for making necessary alterations in Capital clause V and Clause 3 of Memorandum and Articles of Association of the Company respectively

The Board of Directors recommend these Resolutions at Item No 1, 2 & 3 of the accompanying Notice for the approval of the Members of the Company

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No 1, 2 & 3 of the Notice





**Item No 4:**

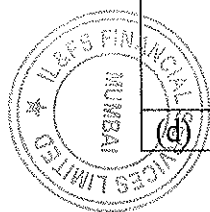
In view of the long term resource requirements of the Company, it is proposed to issue Compulsorily Convertible Cumulative Preference Shares (CCCPS) of a face value of ₹ 100 each, for an amount of upto ₹ 500 crores by way of Offer-1 (₹ 75 crores), Offer-2 (₹ 75 crores), Offer-3 (₹ 100 crores), Offer-4 (₹ 100 crores) and Offer-5 (₹ 150 crores) on Private Placement basis:

Section 55 of the Act read with Rule 9 of the Companies (Share Capital and Debentures) Rules, 2014 framed there under, *inter alia*, requires a company to obtain the prior approval of the Shareholders, by way of a Special Resolution for issuance of CCCPS

Accordingly, the approval of the Members is being sought, by way of a Special Resolution, to offer, issue and allot Compulsorily Convertible Cumulative Preference Shares (CCCPS)

A statement of disclosures as required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014 and the terms of issue are as under:

(a)	the size of the issue and number of preference shares to be issued and nominal value of each share	Upto 5,00,00,000 Compulsorily Convertible Cumulative Preference Shares ("CCCPS") of ₹ 100 each aggregating upto ₹ 500 crores as under:	
		Offer-1	Up to 75,00,000 CCCPS of ₹ 100 aggregating upto ₹ 75 crores
		Offer-2	Up to 75,00,000 CCCPS of ₹ 100 aggregating upto ₹ 75 crores
		Offer-3	Up to 1,00,00,000 CCCPS of ₹ 100 aggregating upto ₹ 100 crores
		Offer-4	Up to 1,00,00,000 CCCPS of ₹ 100 aggregating upto ₹ 100 crores
		Offer-5	Up to 1,50,00,000 CCCPS of ₹ 100 aggregating upto ₹ 150 crores
		The offers have been named in seriatim for the sake of clarity and depending on market conditions and liquidity any offer may be made in any order, however subject to any amendment to the provisions of the Act, that no fresh offer shall be made unless the allotments with respect to the Offer made earlier have been completed or the offers have been withdrawn or abandoned by the Company	
(b)	the nature of such shares i.e. cumulative or non - cumulative, participating or non - participating, convertible or non - convertible	Cumulative, Non-Participating, Compulsorily Convertible Preference Shares	
(c)	the objectives of the issue	(a) To meet the General Corporate purposes (b) To meet the long-term fund requirements of the Company for its business activities, including refinancing of the existing debt	
(d)	the manner of issue of shares	Private Placement	



(e)	the price at which such shares are proposed to be issued	At par, i.e. ₹ 100 per CCCPS
(f)	the basis on which the price has been arrived at;	The CCCPS of face value of ₹ 100 are being issued at par. The conversion price shall be decided by the Board of Directors/ Committee of Directors on the basis of valuation executed by a qualified professional
(g)	consideration	Cash
(h)	instrument form	In dematerialized form
(i)	listing	Not listed
(j)	rating	Not rated
(k)	rate(s) of Dividend and terms thereof	<p>The CCCPS shall carry a preferential right vis-à-vis equity shares of the Company with respect to payment of dividend and the holders of CCCPS shall be paid dividend on a cumulative basis</p> <p>The rate(s) of dividend may be determined by the Board of Directors/ Committee of Directors</p>
(l)	priority with respect to payment of dividend or repayment of capital vis-à-vis equity shares	<p>The CCCPS holder(s) shall be entitled to a preferential dividend in priority to the holders of the equity shares of the Company</p> <p>Subject to applicable law, on winding up or liquidation of the Company or on repayment of capital, the CCCPS holder(s) shall carry a preferential right vis-à-vis equity shareholders to be repaid the amount of capital paid up on the CCCPS then held by them and shall include any unpaid dividends, if any, in accordance with the provisions of the Companies Act, 2013. The CCCPS shall rank pari - passu inter-se</p>
(m)	the terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion	The CCCPS shall be compulsorily convertible and hence non-redeemable. Date of conversion and conversion ratio may be determined by the Board of Directors/ Committee of Directors
(n)	the manner and modes of redemption	Not applicable since CCCPS are not redeemable
(o)	the current shareholding pattern of the Company	As below
(p)	the expected dilution in equity share capital upon conversion of preference shares	To be computed
(q)	voting rights	The CCCPS shall carry no voting rights other than to the extent specified under Section 47 (2) of the Companies Act, 2013, as amended and Rules issued thereunder



(r)	the class or classes of persons to whom the allotment is proposed to be made	The issuance of CCCPS is proposed to be made to such person or persons, whether or not they are Members of the Company by way of duly addressed Private Placement Offer Letter
(s)	intention of promoters, directors or key managerial personnel to subscribe to the offer	The offers shall be made to outside investors and none of the promoters, directors or key managerial personnel shall subscribe the issue of CCCPS
(t)	the proposed time within which the allotment shall be completed	The offers shall be made upto a period of not exceeding one year from the date of approval from the Members of the Company or within such statutory timelines as may be provided under the Companies Act, 2013 and Rules made thereunder
(u)	minimum subscription	As may be determined by the Board of Directors/ Committee of Directors

The current shareholding pattern of the Company is as follows:

Sr No	Particulars	Total Number of shares	Number of shares in demat form	Total Shareholding as % of total no of equity shares
<b>Equity Shares of Face Value of ₹ 10 each</b>				
1	Infrastructure Leasing & Financial Services Limited (IL&FS)	265,666,855	265,666,855	100
2	Others	700	NIL	-
<b>A</b>	<b>Total Equity Shares</b>	<b>265,667,555</b>	<b>265,666,855</b>	<b>100</b>
<b>Non-Convertible Redeemable Cumulative Preference Shares (NCRCPs) of Face Value of ₹ 7,500 each</b>				
3	Public	1,66,666	1,66,666	100
<b>B</b>	<b>Total Preference Shares</b>	<b>1,66,666</b>	<b>1,66,666</b>	<b>100</b>

The issue of CCCPS is in accordance with the provisions of the Articles of Association of the Company. There is no subsisting default in the redemption of preference shares issued by the Company earlier or in the payment of dividend due on those preference shares issued by the Company

The Directors recommend the Resolution at Item No 4 of the accompanying Notice, for the approval of the Members of the Company



The Directors or Key Managerial Personnel or their relatives may be deemed to be concerned or interested in the proposed resolution to the extent of the CCCPS that may be subscribed/acquired by the or by the Companies/firms in which they are interested

**Regd Office:**

**IL&FS Financial Services Limited**

CIN : U65990MH1995PLC093241

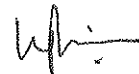
The IL&FS Financial Centre

Plot No C-22, G Block

Bandra Kurla Complex

Bandra (East), Mumbai 400 051

**By Order of the Board of Directors  
For IL&FS Financial Services Limited**



**Neelam Desai**

**Company Secretary**

**Membership No: A9503**

**Date: July 18, 2018**

**Place: Mumbai**



**IL&FS FINANCIAL SERVICES LIMITED**

**Registered Office:** The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex,  
Bandra (E), Mumbai – 400 051  
CIN: U65990MH1995PLC093241

Name of the member(s): Registered address: E-mail id: Folio No/Client Id: DP ID:
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I/We \_\_\_\_\_ of \_\_\_\_\_ being the  
Member(s) of IL&FS FINANCIAL SERVICES LIMITED hereby appoint

- (1) Name : .....
- Address : .....
- E-mail Id : .....
- Signature : ..... or failing him
- (2) Name : .....
- Address : .....
- E-mail Id : .....
- Signature : ....., or failing him
- (3) Name : .....
- Address : .....
- E-mail Id : .....
- Signature : .....

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the .....  
Extra-Ordinary General Meeting of the Company, to be held on the ..... day of ..... at  
.....am/pm at \_\_\_\_\_ (place) and at any adjournment thereof in respect of such resolutions  
as are indicated below:

Resolution No

- (1) .....
- (2) .....
- (3) .....

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2018

Signature \_\_\_\_\_

Affix Revenue Stamp
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**Note:** This form duly completed and signed must be deposited at the Registered Office of the  
Company not less than 48 hours before the Meeting

**IL&FS FINANCIAL SERVICES LIMITED**

Registered Office: The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051  
CIN: U65990MH1995PLC093241

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**ATTENDANCE SLIP**

(To be handed over at the entrance of the Meeting hall)  
Extra-Ordinary General Meeting held on \_\_\_\_\_

I hereby record my presence at the Extra Ordinary General Meeting of the Company held on \_\_\_\_\_, \_\_\_\_\_ at \_\_\_\_ am/pm at The IL&FS Financial Centre, Plot No C-22, G Block, Bandra - Kurla Complex, Bandra (East), Mumbai – 400 051 and at any adjournment thereof

Full name of the Member (in BLOCK LETTERS) \_\_\_\_\_

Full name of the Proxy (in BLOCK LETTERS) \_\_\_\_\_

Member's/ Proxy's Signature \_\_\_\_\_