



Ref: SSFL/Stock Exchange/2021-22/089
Date: February 14, 2022

To
BSE Limited,
Department of Corporate Services
P. J. Towers, 25th Floor,
Dalal Street,
Mumbai - 400001

To
National Stock Exchange of India Limited,
Listing Department
Exchange Plaza, C-1, Block G
BandraKurla Complex, Bandra (E)
Mumbai - 400051

Scrip Code: 542759

Symbol: SPANDANA

Dear Sir/Madam,

Sub: Notice under Section 110 of the Companies Act, 2013 to Members.

Ref: Our letter no. SSFL/Stock Exchange/2021-22/078 dated February 9, 2022

Further to our letter dated February 9, 2022, submitted in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the Postal Ballot Notice dated February 14, 2022 along with explanatory statement, seeking approval of the Members through electronic voting (remote e-voting) for the following Special Resolution(s):

- A. Issue of Equity Shares on a preferential allotment/ private placement basis to Valiant Mauritius Partners Limited, Valiant India Opportunities Limited and Valiant Mauritius Partners Offshore Limited;
- B. Issue of Equity Shares on a preferential allotment/ private placement basis to Kedaara Capital Fund III LLP; and
- C. Issue of Fully Convertible Warrants on a preferential basis to Kedaara Capital Fund III LLP.

The Notice is being sent to the Member whose name appears on the register of Members/list of beneficial owners maintained by Depositories/Registrar and Share Transfer Agenda of the Company, as on cut-off date being **Friday, February 11, 2022**.

In this connection the Company has engaged the services of National Securities Depository Limited for providing e-voting facility to all the Members. The e-voting period will commence from Tuesday, **February 15, 2022 at 10:00 a.m. (IST)** and will end on **Wednesday, March 16, 2022 at 05:00 p.m. (IST)**.

The results of remote e-voting will be declared on or before **Thursday, March 17, 2022**, at the Registered office of the Company. In case of lock-down, the results of remote e-voting and the Scrutinizer's report will be placed on the website of the Company www.spandanaspchoorty.com being communicated to the Stock Exchanges where the Company's shares are listed.

We request you to kindly take note of the same.

Thanking you
For Spandana Sphoorty Financial Limited

Ramesh Periasamy
Company Secretary and Compliance officer

Encl.: As Above



SPANDANA

SPANDANA SPHOORTY FINANCIAL LIMITED

CIN: L65929TG2003PLC040648

Regd. Office: Plot No: - 31 & 32, Ramky Selenium, Tower A, Ground Floor, Financial District, Nanakramguda, Hyderabad-500032 (TS)

Website: www.spandanaspooorty.com | **Phone No.:** 040-45474750 | **E-mail:** secretarial@spandanaspooorty.com

NOTICE OF POSTAL BALLOT

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

Dear Member(s),

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Secretarial Standards issued by the Institute of Company Secretaries of India on General Meeting ('SS-2') and the relaxations and clarifications issued by Ministry of Corporate Affairs ('MCA') vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021 and General Circular No.20/2021 dated December 8, 2021 ('MCA Circulars') and Circular Nos. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India ('SEBI Circulars') (including any statutory modification or re-enactment thereof for the time being in force, and as amended from time to time), and pursuant to other applicable laws and regulations, that the Special Resolution(s) appended below are proposed to be passed by way of Postal Ballot only through electronic means ('e-voting'). The proposed Special Resolution(s) together with the explanatory statement setting out the material facts and reasons for the passing of the Special Resolution(s) are being sent to you for your consideration.

In accordance with the MCA Circulars and SEBI Circulars, this Postal Ballot Notice ('Notice') is being sent by e-mail to all the Members whose e-mail addresses are available in the beneficial ownership data of National Securities Depository Limited and Central Depository Services (India) Limited ('Depositories') and the record of the KFin Technologies Private Limited ('KFintech'), Registrar and Share Transfer Agent of the Company and hard copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope will not be sent to the Members for this Postal Ballot. The Members are required to communicate their assent or dissent through the e-voting facility only. The Company has engaged National Securities Depository Limited ('NSDL') for facilitating e-voting in a secure manner. For more details in this regard, your attention is invited to the Notes to this Notice.

The Company has appointed Mr. Y Ravi Prasada Reddy (Membership No. FCS 5783), Proprietor, RPR & Associates, Practicing Company Secretaries (CP No. 5360), Hyderabad as Scrutinizer for conducting process of e-voting in accordance with the provisions of the Act read with Rules and the MCA Circulars in a fair and transparent manner.

The Members are requested to carefully read and follow the instructions on e-voting provided in Notes to this Notice.

The Scrutinizer will submit his report to the Authorized Director or any Authorized Person appointed by the Chairperson for declaration of the result of the remote e-voting on Thursday, March 17, 2022 at the Registered Office of the Company. The results of the e-voting and the Scrutinizer's report will be placed on the Company's website www.spandanaspooorty.com and will be communicated to the National Stock Exchange of India Limited and BSE Limited, where the equity shares / securities of the Company are listed.

SPECIAL BUSINESS:

ITEM NO.1: ISSUE OF EQUITY SHARES ON A PREFERENTIAL ALLOTMENT/PRIVATE PLACEMENT BASIS TO VALIANT MAURITIUS PARTNERS LIMITED, VALIANT INDIA OPPORTUNITIES LIMITED AND VALIANT MAURITIUS PARTNERS OFFSHORE LIMITED:

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

“RESOLVED THAT pursuant to the provisions of Sections 23(1)(b), 42 and 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (**“Act”**) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force) (the **“Act”**), the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (**“SEBI ICDR Regulations”**); the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (**“Listing Regulations”**) and any other rules/ regulations/ guidelines, if any, prescribed by the Securities and Exchange Board of India (**“SEBI”**), Reserve Bank of India (**“RBI”**) and/ or stock exchanges where the shares of the Company are listed (**“Stock Exchanges”**) and/ or any other statutory/ regulatory authority and the provisions of the memorandum and articles of association of the Company; and subject to the approval(s), consent(s), permission(s) and/ or sanction(s), if any, of the appropriate authorities, institutions or bodies as may be required, and subject to such conditions and modifications, as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s), and/ or sanction(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 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), the consent of the members of the Company (**“Members”**) be and is hereby accorded to create, offer, issue and allot on preferential issue and private placement basis and in one or more tranches, up to 15,25,786 (Fifteen Lakh Twenty-five Thousand Seven Hundred and Eighty-six only) equity shares of the Company of face value of INR 10.00 (Indian Rupee ten only) each (**“Equity Shares”**), at a price of INR 458.78 (Indian Rupees Four Hundred and Fifty-eight and Seventy-eight paise only) per Equity Share, which includes a premium of INR 448.78 (Indian Rupees Four Hundred and Forty-eight and Seventy-eight paise only) per Equity Share, aggregating up to approximately INR 70,00,00,101.08 (Indian Rupees Seventy Crore One Hundred and One and Eight paise only) as per the following:

- (a) upto 3,26,954 (Three Lakh Twenty-six Thousand Nine Hundred and Fifty-four Only) Equity Shares to Valiant Mauritius Partners Limited at a price of INR 458.78 (Indian Rupees Four Hundred and Fifty-eight and Seventy-eight paise only) per Equity Share, which includes a premium of INR 448.78 (Indian Rupees Four Hundred and Forty-eight and Seventy-eight paise only) per Equity Share aggregating at INR 14,99,99,956.12 (Indian Rupees Fourteen Crore Ninety-nine Lakh Ninety-nine Thousand Nine Hundred and Fifty-six and Twelve paise only);
- (b) upto 4,35,939 (Four Lakh Thirty-five Thousand Nine Hundred and Thirty-Nine Only) Equity Shares to Valiant India Opportunities Limited at a price of INR 458.78 (Indian Rupees Four Hundred and Fifty-eight and Seventy-eight paise only) per Equity Share, which includes a premium of INR 448.78 (Indian Rupees Four Hundred and Forty-eight and Seventy-eight paise only) per Equity Share aggregating at INR 20,00,00,094.42 (Indian Rupees Twenty Crore Ninety-four and Forty-two paise only);
- (c) upto 7,62,893 (Seven Lakh Sixty-two Thousand Eight Hundred and Ninety-three only) Equity Shares to Valiant Mauritius Partners Offshore Limited at a price of INR 458.78 (Indian Rupees Four Hundred and Fifty-eight and Seventy-eight paise only) per Equity Share, which includes a premium of INR 448.78 (Indian Rupees Four Hundred and Forty-eight and Seventy-eight paise only) per Equity Share aggregating at INR 35,00,00,050.54 (Thirty-five Crore Fifty and Fifty-four paise only).

on such other terms and conditions as set out herein and on such other terms and conditions, as the Board may in its absolute discretion decide, subject to applicable laws and regulations, including the provisions of Chapter V of the SEBI ICDR Regulations and the Act.

RESOLVED FURTHER THAT in terms of the provisions of SEBI ICDR Regulations, the **“Relevant Date”** for the purpose of determination of minimum price for the issue and allotment of Equity Shares as mentioned above shall be February 14, 2022, being the date 30 (thirty) days prior to the date on which this resolution is deemed to be approved, i.e., March 16, 2022.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Equity Shares to the proposed allottees shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- (a) Equity Shares to be issued and allotted pursuant to this resolution shall be listed and traded on the BSE Limited and the National Stock Exchange of India Limited and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company;
- (b) The Equity Shares allotted to the proposed allottees shall rank *pari-passu* with the existing Equity Shares of the Company in all respects (including with respect to dividend and voting rights);
- (c) The proposed allottees shall be required to bring in the entire consideration for the Equity Shares to be allotted, on or before the date of allotment thereof;
- (d) No partly paid-up Equity Shares shall be issued/allotted;
- (e) The consideration for allotment of Equity Shares shall be paid to the Company from the bank accounts of the proposed allottees;
- (f) The Equity Shares shall be allotted within a period of 15 (fifteen) days from the date of passing this resolution provided where the allotment of the Equity Shares is pending on account of pendency of any approval or permission of 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 or permission;
- (g) Allotment of Equity Shares shall only be made in dematerialized form; and
- (h) The Equity Shares allotted on a preferential basis shall remain locked-in in accordance with the provisions of SEBI ICDR Regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorised to accept any modifications(s) or modify the terms of issue of Equity Shares, subject to the provisions of the Act and SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient including for the issue of private placement letter of offer, allotment of shares, making of application(s) to Stock Exchange(s) for obtaining in-principle approval, allotment and listing of the Equity Shares, filing of requisite documents with the registrar of companies, filing of requisite documents with the depositories, to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the Equity Shares, utilization of issue proceeds, signing of all deeds and documents as may be required and effecting any modifications, changes, variation, alterations, additions and/or deletions to the foregoing conditions as may be required by any regulatory or other authorities or agencies involved in or concerned with the issue of the Equity Shares without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint such consultants, depositories, registrars, trustees, bankers, lawyers, and any other advisors and professionals as may be required to be appointed, invoked or concerned in the issue and allotment of the Equity Shares and to pay to them such fees, commission, brokerage and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, memorandum, documents, etc. with such agencies.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to delegate any or all of the powers conferred upon it by this resolution to any committee of directors of the Company (“Committees”), any other director(s) of the Company, and/or officer(s) of the Company.

RESOLVED FURTHER THAT all actions taken by the Board or Committee(s) duly constituted for this purpose in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.”

ITEM NO.2: ISSUE OF EQUITY SHARES ON A PREFERENTIAL ALLOTMENT/PRIVATE PLACEMENT BASIS TO KEDAARA CAPITAL FUND III LLP:

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

“**RESOLVED THAT** pursuant to the provisions of Sections 23(1)(b), 42 and 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014

and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force) (the “**Act**”), the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (“**SEBI ICDR Regulations**”); the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (“**Listing Regulations**”) and any other rules/ regulations/ guidelines, if any, prescribed by the Securities and Exchange Board of India (“**SEBI**”), Reserve Bank of India (“**RBI**”) and/ or stock exchanges where the shares of the Company are listed (“**Stock Exchanges**”) and/ or any other statutory/ regulatory authority and the provisions of the memorandum and articles of association of the Company; and subject to the approval(s), consent(s), permission(s) and/ or sanction(s), if any, of the appropriate authorities, institutions or bodies as may be required, and subject to such conditions and modifications, as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s), and/ or sanction(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 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), the consent of the members of the Company (“**Members**”) be and is hereby accorded to create, offer, issue and allot on preferential issue and private placement basis and in one or more tranches, up to 31,60,556 (Thirty-one Lakh Sixty Thousand Five Hundred and Fifty-six only) equity shares of the Company of face value of INR 10.00 (Indian Rupee ten only) each (“**Equity Shares**”), at a price of INR 458.78 (Indian Rupees Four Hundred and Fifty-eight and Seventy-eight paise only) per Equity Share, which includes a premium of INR 448.78 (Indian Rupees Four Hundred and Forty-eight and Seventy-eight paise only) per Equity Share, aggregating up to approximately INR 1,44,99,99,881.68 (Indian Rupees One Hundred and Forty-four Crore Ninety-nine Lakh Ninety-nine Thousand Eight Hundred and Eighty-one and Sixty-eight paise) to Kedaara Capital Fund III LLP, belonging to the promoter group of the Company (“**Kedaara Capital**”) on such other terms and conditions as set out herein and on such other terms and conditions, as the Board may in its absolute discretion decide, subject to applicable laws and regulations, including the provisions of Chapter V of the SEBI ICDR Regulations and the Act.

RESOLVED FURTHER THAT in terms of the provisions of SEBI ICDR Regulations, the “**Relevant Date**” for the purpose of determination of minimum price for the issue and allotment of Equity Shares as mentioned above shall be February 14, 2022, being the date 30 (thirty) days prior to the date on which this resolution is deemed to be approved, i.e., March 16, 2022.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Equity Shares to the Kedaara Capital shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- (a) Equity Shares to be issued and allotted pursuant to this resolution shall be listed and traded on the BSE Limited and the National Stock Exchange of India Limited and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company;
- (b) The Equity Shares allotted to the proposed allottee shall rank *pari-passu* with the existing Equity Shares of the Company in all respects (including with respect to dividend and voting rights);
- (c) The proposed allottee shall be required to bring in the entire consideration for the Equity Shares to be allotted, on or before the date of allotment thereof;
- (d) No partly paid-up Equity Shares shall be issued/ allotted;
- (e) The consideration for allotment of Equity Shares shall be paid to the Company from the bank accounts of the proposed allottee;
- (f) The Equity Shares shall be allotted within a period of 15 (fifteen) days from the date of passing this resolution provided where the allotment of the Equity Shares is pending on account of pendency of any approval or permission of 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 or permission;
- (g) Allotment of Equity Shares shall only be made in dematerialized form; and
- (h) The Equity Shares allotted on a preferential basis shall remain locked-in in accordance with the provisions of SEBI ICDR Regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorised to accept any modifications(s) or modify the terms of issue of Equity Shares, subject to the provisions of the Act and SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient including for the issue of private placement letter of offer, allotment of shares, making of application(s) to Stock Exchange(s) for obtaining in-principle approval, allotment and listing of the Equity Shares, filing of requisite documents with the registrar of companies, filing of requisite documents with the depositories, to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the Equity Shares, utilization of issue proceeds, signing of all deeds and documents as may be required and effecting any modifications, changes, variation, alterations, additions and/or deletions to the foregoing conditions as may be required by any regulatory or other authorities or agencies involved in or concerned with the issue of the Equity Shares without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint such consultants, depositories, registrars, trustees, bankers, lawyers, and any other advisors and professionals as may be required to be appointed, invoked or concerned in the issue and allotment of the Equity Shares and to pay to them such fees, commission, brokerage and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, memorandum, documents, etc. with such agencies.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to delegate any or all of the powers conferred upon it by this resolution to any committee of directors of the Company (“Committees”), any other director(s) of the Company, and/or officer(s) of the Company.

RESOLVED FURTHER THAT all actions taken by the Board or Committee(s) duly constituted for this purpose in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.”

ITEM NO.3: ISSUE OF WARRANTS ON A PREFERENTIAL BASIS TO KEDAARA CAPITAL FUND III LLP:

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

“**RESOLVED THAT** pursuant to the provisions of Sections 23(1)(b), 42, 62(1)(c) 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 Chapter V of 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”), as amended 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), consent of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot, in one or more tranches for an amount not exceeding INR 85,00,00,00.00 (Indian Rupees Eighty-five Crore only) consisting of upto 18,52,739 fully convertible warrants entitling the warrant holder to apply for and get allotted one (1) Equity Share of the face value of INR 10 each fully paid-up against every Warrant held (hereinafter referred to as the “Warrants”), at a price of INR 458.78 (Indian Rupees Four Hundred and Fifty-eight and Seventy-eight paise only) per warrant, being the price which is in accordance with the provision of Chapter V of SEBI (ICDR) Regulations to Kedaara Capital Fund III LLP, an entity part of the Promoter Group of the Company (“Warrant Holder”) on preferential basis, in such manner

and upon such terms and conditions as may be deemed appropriate by the Board in its absolute discretion in accordance with the provisions of SEBI ICDR Regulations, or other applicable laws in this respect. The amount paid against the Warrants shall be adjusted/set off against the issue price for the resultant Equity Share at the time of conversion.

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

- i. The 'Relevant Date' in relation to this preferential issue of Warrants as per the provision of Regulation 161 of SEBI ICDR Regulations, would be February 14, 2022 being the date 30 (thirty) days prior to the date on which this resolution is deemed to be approved, i.e., March 16, 2022.
- ii. Warrants would be issued at a price of INR 458.78 (Indian Rupees Four Hundred and Fifty-eight and Seventy-eight paise only) per Warrant, which will entitle the Warrant Holder to subscribe to one Equity Share of Face Value of Rs.10/- each at a price of INR 458.78 (Indian Rupees Four Hundred and Fifty-eight and Seventy-eight paise only) which includes a premium of INR 448.78 (Indian Rupees Four Hundred and Forty-eight and Seventy-eight paise only) per Equity Share of the Company against each Warrant.
- iii. A Warrant subscription price not less than 25% (i.e. the upfront amount) of the issue price of the Equity Shares will be payable at the time of subscription to the Warrants, as prescribed by 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. The balance issue price of the Equity Shares shall be payable by the Warrant Holder at the time of exercising the Warrants.
- iv. 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.
- v. 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 Holder.
- vi. If the entitlement against the Warrants to apply for the equity shares 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.
- vii. The allotment of Warrants is proposed to be completed within a maximum period of fifteen (15) days from the date of passing of the resolution. In case the allotment on preferential basis is pending on account of pendency of any approval for such allotment by any regulatory authority including Reserve Bank of India, Stock Exchanges where the shares of the Company are listed or the Central Government then the allotment shall be completed within fifteen (15) days from the date of receipt of such approval.
- viii. In the event of the Company making a bonus issue of shares or making rights issue of shares/ convertible debentures or any other securities or any other corporate restructuring or arrangement including merger/demerger/acquisitions, in whatever proportion prior to the exercise of the rights attached to the Warrants, the entitlement of the holders shall stand augmented in the same proportion in which the equity share capital of the company increases as a consequences of such bonus/rights issues/corporate restructuring and that the exercise price of the Warrants be adjusted accordingly, subject to such approvals as may be required.
- ix. In the event that the Company completes any form of capital restructuring prior to the conversion of the Warrants, then, the number of Equity Shares that each Warrant converts into and the price payable for such Equity Shares, shall be adjusted accordingly in a manner that, to the extent permitted by applicable laws, the Warrant Holder: (i) receives such number of Equity Shares that Warrant Holder would have been entitled to receive; & (ii) pays such consideration for such Equity Shares to the Company which Warrant Holder would have been required to pay, had the Warrants been exercised immediately prior to the completion of such capital restructuring.
- x. Upon exercise by the Warrants Holder, the Company shall issue and allot appropriate number of Equity Shares and perform all such actions as are required to give effect to such issue, including but not limited to delivering to Warrant Holder, evidence of the credit of the Equity Shares to the depository account of the Warrant Holder and

entering the name of Warrant Holder in the records of the Company (including in the Register of Members of the Company) as the registered owner of such Equity Shares.

- xi. The Warrants by itself until exercised and equity shares allotted, does not give to the Warrant Holder thereof any rights with respect to that of a shareholder of the Company.
- xii. The pre-preferential allotment shareholding of the Warrant Holder, Warrants and Equity Shares arising on conversion of Warrants shall be locked in as per the SEBI (ICDR) Regulations.
- xiii. The Board be and is hereby authorised to decide and approve the other terms and conditions of the issue of the Warrants and also shall be entitled to vary, modify or alter any of the terms and conditions, including the size of the issue, as it may deem expedient.

RESOLVED FURTHER THAT the Equity Shares allotted on exercise of Warrants in terms of this Resolution 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 INR 10.00 each of the Company, subject to the relevant provisions contained in the Articles of Association of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolution, including issue of offer letter, making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.

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, 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.”

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

Sd/-

Ramesh Periasamy

Company Secretary & Compliance Officer

Place: Hyderabad

Date: February 14, 2022

NOTES:

1. The Explanatory Statement pursuant to Section 102 and Section 110 of the Companies Act, 2013 (the “Act”) read with Rule 22 of the Companies (Management and Administration) Rules, 2014 in respect to the special business is annexed herewith and forms part of the Notice.
2. The Company has appointed Mr. Y Ravi Prasada Reddy (Membership No. FCS 5783), Proprietor, RPR & Associates, Company Secretaries (CP No. 5360), Hyderabad as Scrutinizer for conducting the e-voting process in accordance with the law and in a fair and transparent manner.
3. In view of the threat of Covid-19 the Company is unable to get the Postal Ballot Notice and Postal Ballot Form printed and dispatched. The approval of Members is being sought through remote e-voting only.

4. The Postal Ballot Notice is being sent to all the Members whose names appear in the Register of Members/ Record of Depositories as at the close of business hours on Friday, February 11, 2022 (“Cut-Off Date”). Voting rights shall be reckoned on the paid up value of the shares registered in the name of the Members as on Cut-Off Date.

5. You are requested to read carefully the instructions before exercising the vote and complete the e-voting on or before 5.00 p.m. on Wednesday, March 16, 2022.

6. **The Company is offering only remote e-voting facility to its Members to enable them cast their vote.** A Member has to carefully follow the instructions as given for e-voting. He/ She can use the facility and log in any number of times till he/she has voted on the Resolution or till the end of the voting period, whichever is earlier.

Members who have not registered their e-mail ID for receipt of documents in electronic mode under the green initiative of Ministry of Corporate Affairs need to follow the process for those Members whose email ids are not registered to participate in remote e-voting.

7. **Voting through electronic means:**

In terms of the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this section of the Notice) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with General Circular no. 02/2021 dated January 13, 2021 issued by Ministry of Corporate Affairs and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India (“SEBI”), the Company is providing facility to exercise votes on the item of business given in the Notice through electronic voting system only, to Members holding shares as on Friday, February 11, 2022 (End of Day) being the Cut-off date fixed for determining voting rights of members, entitled to participate in the e-voting process, through the e-voting platform provided by National Securities Depository Limited (“NSDL”).

8. **The instructions for E-voting are as under:**





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual **Members** holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual Members holding securities in demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL	i. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDeAS ’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ Access to e-Voting ” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. ii. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com . Select “ Register Online for IDeAS Portal ” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp iii. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is

	<p>launched, click on the icon “Login” which is available under ‘Members/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>iv. Members/Member can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 40px; margin-top: 10px;">   </div>
<p>Individual Members holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> i. Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. ii. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. iii. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration iv. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
<p>Individual Members login through their demat accounts / Website of Depository Participant</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Members/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	Eight Character DP ID followed by Eight Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	Sixteen Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for Members other than Individual Members are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your eight-digit client ID for NSDL account, last eight digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in process for those **Members whose email ids are not registered**
- 6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- 7. After entering your password, tick on Agree to “Terms and Conditions” by selecting the check box.
- 8. Now, you will have to click on “Login” button.
- 9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Members whose e-mail IDs are not registered with the Company/Depository Participant(s), and consequently the Annual Report, Notice of AGM, Postal Ballot Notice and e-voting instructions cannot be serviced, will have to follow the following process:

- i. Members who have not registered their e-mail address and in consequence the Annual Report, Notice of AGM, Postal Ballot Notice and e-voting instructions cannot be serviced, may temporarily get their e-mail address and mobile number provided with Kfin Technologies Private Limited (“Kfintech”) Registrar and Share Transfer Agent of the Company, by accessing the link: <https://ris.kfintech.com/clientservices/postalballot/>. Members are requested to follow the process as guided to capture the e-mail address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.
- ii. Alternatively, member may send an e-mail request at the e-mail id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the postal ballot notice and the e-voting instructions.
- iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

General Instructions

- i. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rprassociateshyd@gmail.com with a copy marked to evoting@nsdl.co.in.

- ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
- iii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Swapneel Puppala, Assistant Manager at evoting@nsdl.co.in
- iv. **In case Members of the Company have not registered their e-mail address:**
 - 1. Please provide DPID-CLID (sixteen digit DPID + CLID or sixteen-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to secretarial@spandanaspooorty.com. Individual Members are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual Members holding securities in demat mode.
 - 2. Alternatively Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- v. The Remote E-voting period commences from 10.00 a.m. (IST) on Tuesday, February 15, 2022 and ends at 5.00 p.m. (IST) on Wednesday, March 16, 2022. During this period, the members of the Company, holding shares either in physical form or in demat form, as on the cut-off date of Friday, February 11, 2022, may cast their vote electronically. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- vi. The Scrutinizer shall, unlock the votes in the presence of at least 2 (two) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Company Secretary of the Company.
- vii. Subject to the receipt of sufficient votes, the Resolutions shall be deemed to be passed on the last date of voting i.e., Wednesday, March 16, 2022. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.spandanaspooorty.com and also on the notice board placed at the Registered Office of the Company.
- viii. The Scrutinizer will submit his report after completion of the scrutiny and results of the Postal Ballot would be announced by Thursday, March 17, 2022 through e-mail and the Resolution will be taken as passed, if the results of e-voting indicate that the requisite majority of the Members had assented to the Resolution.
- ix. The Scrutinizer's decision on the validity of E-voting shall be final. As indicated earlier, the results will be published on the website of the Company www.spandanaspooorty.com besides being notified to BSE Limited and National Stock Exchange of India Limited, where the Company's shares are listed. Results will also be posted on the Website of NSDL, www.evoting.nsdl.com.

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

ITEM NO.1:

The Board of Directors of the Company (“**Board**”) at its meeting held on February 14, 2022 considered a capital raising proposal for the Company on preferential allotment/private placement basis to raise funds to (i) meet projected business growth; (ii) meet funding requirement for business activities; and (iii) general corporate purposes.

Accordingly, with the aforesaid objective in view, the Board considered an issue of equity shares of the Company, at the aforementioned meeting, in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (“**SEBI ICDR Regulations**”) for an aggregate amount not exceeding INR 70,00,00,101.08 (Indian Rupees Seventy Crore One Hundred and One and Eight paisa only) to Valiant Mauritius Partners Limited, Valiant India Opportunities Limited and Valiant Mauritius Partners Offshore Limited (each a “**Proposed Allottee**”) on a preferential issue basis in terms of Chapter V of the SEBI ICDR Regulations and subject *inter alia* to the pricing requirements and lock-in-period as stipulated therein, and subject to approval of members of the Company, as per the details below:

S. No.	Name of entity	Maximum number of shares to be offered	Aggregate subscription price (Amount in INR)
1.	Valiant Mauritius Partners Limited	3,26,954	14,99,99,956.12
2.	Valiant India Opportunities Limited	4,35,939	20,00,00,094.42
3.	Valiant Mauritius Partners Offshore Limited	7,62,893	35,00,00,050.54

The Equity Shares proposed to be issued and allotted to the Proposed Allottees will be listed on the BSE Limited and the National Stock Exchange of India Limited and will rank *pari passu* with the existing equity shares of the Company including with regard to dividend and voting rights.

Approval of the Members by way of Special Resolution is being sought *inter alia* in terms of Sections 23(1)(b), 42 and 62(1)(c) of the Act as well as Chapter V of the SEBI ICDR Regulations to offer, issue and allot Equity Shares to the Proposed Allottees on a preferential issue and private placement basis, as per details mentioned in the resolution at Item no.1 of the Notice.

The existing authorised share capital is INR 2150,00,00,000 (Indian Rupees Two Thousand One Hundred Fifty Crore only) divided into 90,00,00,000 (Ninety Crore only) equity shares of INR 10.00 (Indian Rupee Ten only) each and 125,00,00,000 (One Hundred and Twenty-five Crore only) preference shares of INR 10.00 (Indian Rupee Ten only) each. The proposed issue is within the limits of the authorised capital of the Company.

In terms of the provisions of the Act and the SEBI ICDR Regulations, other relevant disclosures/ details are given below:

1. Objects of the Preferential Issue:

Subject to applicable law, the Company shall utilize the proceeds from the preferential issue: (i) meet projected business growth; (ii) meet funding requirement for business activities; and (iii) general corporate purposes.

2. No. of shares and kinds of securities

The Company proposes to issue up to 15,25,786 (Fifteen Lakh Twenty-five Thousand Seven Hundred and Eighty-six only) equity shares of the face value of INR 10.00 (Indian Rupee Ten only) each fully paid up of the Company.

3. Relevant Date:

The “**Relevant Date**” for the preferential issue, as per the SEBI ICDR Regulations, as amended from time to time, for the determination of minimum price for the issue and allotment of Equity Shares on preferential allotment/private placement basis shall be February 14, 2022, being the date 30 (thirty) days prior to the date on which this resolution is deemed to be approved, i.e., March 16, 2022.

4. Pricing of Preferential Issue:

The price of the Equity Shares to be issued is fixed at INR 458.78 (Indian Rupees Four Hundred and Fifty-eight and Seventy-eight paise only) per Equity Share, which consists of INR 10.00 (Indian Rupee Ten only) par value and INR 448.78 (Indian Rupees Four Hundred and Forty-eight and Seventy-eight paise only) as premium per Equity Share, which is equal to the minimum price for the preferential allotment determined in accordance with Regulation 164 of the SEBI ICDR Regulations.

5. Basis on which the price has been arrived at:

The Board has decided that the preferential allotment shall be at an issue price of INR 458.78 (Indian Rupees Four Hundred and Fifty-eight and Seventy-eight paise only) per Equity Share, which consists of INR 10.00 (Indian Rupee Ten only) par value and INR 448.78 (Indian Rupees Four Hundred and Forty-eight and Seventy-eight paise only) as premium per Equity Share which is equal to the minimum price for the preferential allotment determined in accordance with Regulation 164 of the SEBI ICDR Regulations.

Equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited and the equity shares of the Company are frequently traded for the purpose of Regulation 164 of the SEBI ICDR Regulations. For the purpose of computation of the minimum price per Equity Share, National Stock Exchange of India Limited is the stock exchange that has higher trading volume for the period as prescribed under the SEBI ICDR Regulations and accordingly has been considered.

Since the equity shares of the Company have been listed on the recognised Stock Exchanges for a period of more

than 90 trading days 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 undertakings specified under Regulations 163(1)(g) and (h) of the SEBI ICDR Regulations.

The Company has also obtained a fair valuation report from independent registered valuer, Alphavalue Consulting Valuation LLP, Registration No IBBI/RV-E/05/2021/151 which has indicated fair value which is not greater than the minimum price computed as per the SEBI ICDR Regulations.

6. Intention of promoters/directors/key managerial personnel to subscribe to the offer:

None of the promoters or directors or key managerial personnel of the Company will subscribe to the proposed issue.

7. The names of the proposed allottees and the percentage of post preferential offer capital that may be held by them:

Identity of the allottee & PAN	Category	Pre Issue shareholding	Pre Issue % holding	Number of Equity Shares proposed to be allotted	Post Issue % holding
Valiant Mauritius Partners Limited (PAN: AACCV8506B)	Non-promoter	775,257	1.20%	3,26,954	1.60%
Valiant India Opportunities Limited (PAN: AACCV8509Q)	Non-promoter	1,261,143	1.96%	4,35,939	2.46%
Valiant Mauritius Partners Offshore Limited (PAN: AAFCV2404)	Non-promoter	1,767,451	2.74%	7,62,893	3.66%

8. Current and proposed status of the allottee(s) post the preferential issues namely, promoter or non-promoter
Non-promoter.

9. The pre issue and post issue shareholding pattern of the Company:

The Shareholding pattern giving the present position considering full allotment of shares issued on the preferential basis, as per the aforesaid resolution, is provided as Annexure A to this Notice.

10. The identity of the natural persons who are the ultimate beneficial owners of the Equity Shares and/or who ultimately control the proposed allottee:

Name of Proposed Allottees	Details of the Ultimate Beneficial Owner/Beneficial Ownership
Valiant Mauritius Partners Limited	Mr. Christopher Robert Hansen
Valiant India Opportunities Limited	Mr. Christopher Robert Hansen
Valiant Mauritius Partners Offshore Limited	Mr. Christopher Robert Hansen

11. Proposed time within which the allotment shall be completed:

As required under the SEBI ICDR Regulations, the Company shall complete the allotment of Equity Shares as aforesaid on or before the expiry of 15 (fifteen) days from the date of passing of the special resolution by the Members 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, within 15 (fifteen) days from the date of receipt of such approval(s) or permission, as the case may be.

12. No. of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:

During the year, no preferential allotment has been made to any person as of the date of this Notice.

13. Change in control, if any, in the Company that would occur consequent to the preferential offer:

There will be no change in control in the Company consequent to the completion of the preferential allotment to the Proposed Allottees.

14. The percentage of post preferential issue capital that may be held by the allottee(s) is as under:

Please refer to Paragraph 7 above.

15. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not applicable

16. Lock-in-period:

The Equity Shares shall be locked-in for such period as specified under Chapter V of the SEBI ICDR Regulations.

17. Practicing Company Secretary's certificate:

A certificate from Mr. Y Ravi Prasada Reddy (Membership No. FCS 5783), Proprietor, RPR & Associates, Practicing Company Secretaries (CP No. 5360), Hyderabad certifying that the preferential issue of the Equity Shares is being made in accordance with the requirements of SEBI ICDR Regulations shall be available for inspection by the Members on request. Kindly send your request at secretarial@spandanasphoorty.com. A copy of the certificate shall be made available on the website of the Company www.spandanasphoorty.com at <https://spandanasphoorty.com/wp-content/uploads/2022/02/1.-1632-Certificate.pdf>

18. Report of a registered valuer:

A report of a registered valuer, Alphavalue Consulting Valuation LLP, Registration No IBBI/RV-E/05/2021/151 has been obtained. The Valuation Report shall be available for inspection by the Members on request. Kindly send your request at secretarial@spandanasphoorty.com. A copy of the certificate shall be made available on the website of the Company www.spandanasphoorty.com at <https://spandanasphoorty.com/wp-content/uploads/2022/02/2.-Valuation-Report.pdf>

19. Undertaking:

The Company is in compliance with the conditions for continuous listing.

To the best of the knowledge of the Company, none of the directors or promoters of the Company and the Company are categorized as wilful defaulter(s) by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by Reserve Bank of India. Consequently, the disclosures specified under Regulation 163(1)(i) of SEBI ICDR Regulations are not applicable.

None of the Company's directors are fugitive economic offenders as defined under the SEBI ICDR Regulations.

20. Other Disclosures:

The Proposed Allottees , have not sold any Equity Shares of the Company during the six months preceding the Relevant Date.

The approval of the Members is being sought to enable the Board to issue and allot the equity shares on a preferential / private placement basis, to the extent and in the manner as set out in the resolution and explanatory statement.

The Board believe that the proposed preferential issue is in the best interest of the Company and the Members. The Board, therefore, recommend the passing of the Resolution at Item No. 1 as a Special Resolution.

None of the promoters, directors and key managerial personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding in the Company.

ITEM NO.2:

The Board of Directors of the Company ("**Board**") at its meeting held on February 14, 2022 considered a capital raising proposal for the Company on preferential allotment/private placement basis to: (i) meet projected business growth; (ii) meet funding requirement for business activities; and (iii) general corporate purposes.

Accordingly, with the aforesaid objective in view, the Board considered an issue of equity shares of the Company, at the aforementioned meeting, in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("**SEBI ICDR Regulations**") for an aggregate amount not exceeding INR 1,44,99,99,881.68 (Indian Rupees One Hundred and Forty-four Crore Ninety-nine Lakh Ninty-nine Thousand Eight Hundred and Eighty-one and Sixty-eight paisa) to Kedaara Capital Fund III LLP,

belonging to the promoter group of the Company (“**Proposed Allottee**”) on a preferential issue basis in terms of Chapter V of the SEBI ICDR Regulations and subject *inter alia* to the pricing requirements and lock-in-period as stipulated therein and subject to approval of members of the Company.

The Equity Shares proposed to be issued and allotted to the Proposed Allottee will be listed on the BSE Limited and the National Stock Exchange of India Limited and will rank *pari passu* with the existing equity shares of the Company including with regard to dividend and voting rights.

Approval of the Members by way of Special Resolution is being sought *inter alia* in terms of Sections 23(1)(b), 42 and 62(1)(c) of the Act as well as Chapter V of the SEBI ICDR Regulations to offer, issue and allot Equity Shares to the Proposed Allottee on a preferential issue and private placement basis, as per details mentioned in the resolution at Item no.2 of the Notice.

The existing authorised share capital is INR 2150,00,00,000 (Indian Rupees Two Thousand One Hundred Fifty Crore only) divided into 90,00,00,000 (Ninety Crore only) equity shares of INR 10.00 (Indian Rupee Ten only) each and 125,00,00,000 (One Hundred and Twenty-five Crore only) preference shares of INR 10.00 (Indian Rupee Ten only) each. The proposed issue is within the limits of the authorised capital of the Company.

In terms of the provisions of the Act and the SEBI ICDR Regulations, other relevant disclosures/ details are given below:

1. Objects of the Preferential Issue:

Subject to applicable law, the Company shall utilize the proceeds from the preferential issue to: (i) meet projected business growth; (ii) meet funding requirement for business activities; and (iii) general corporate purposes.

2. No. of shares and kinds of securities

The Company proposes to issue up to 31,60,556 (Thirty-one Lakh Sixty Thousand Five Hundred and Fifty-six only) equity shares of the Company of face value of INR 10.00 (Indian Rupee ten only) each.

3. Relevant Date:

The “**Relevant Date**” for the preferential issue, as per the SEBI ICDR Regulations, as amended from time to time, for the determination of minimum price for the issue and allotment of Equity Shares on preferential allotment/private placement basis shall be February 14, 2022, being the date 30 (thirty) days prior to the date on which this resolution is deemed to be approved, i.e., March 16, 2022.

4. Pricing of Preferential Issue:

The price of the Equity Shares to be issued is fixed at INR 458.78 (Indian Rupees Four Hundred and Fifty-eight and Seventy-eight paise only) per Equity Share, which consists of INR 10.00 (Indian Rupee Ten only) par value and INR 448.78 (Indian Rupees Four Hundred and Forty-eight and Seventy-eight paise only) as premium per Equity Share, which is equal to the minimum price for the preferential allotment determined in accordance with Regulation 164 of the SEBI ICDR Regulations.

5. Basis on which the price has been arrived at:

The Board has decided that the preferential allotment shall be at an issue price of INR 458.78 (Indian Rupees Four Hundred and Fifty-eight and Seventy-eight paise only) per Equity Share, which consists of INR 10.00 (Indian Rupee Ten only) par value and INR 448.78 (Indian Rupees Four Hundred and Forty-eight and Seventy-eight paise only) as premium per Equity Share which is equal to the minimum price for the preferential allotment determined in accordance with Regulation 164 of the SEBI ICDR Regulations.

Equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited and the equity shares of the Company are frequently traded for the purpose of Regulation 164 of the SEBI ICDR Regulations. For the purpose of computation of the minimum price per Equity Share, National Stock Exchange of India Limited is the stock exchange that has higher trading volume for the period as prescribed under the SEBI ICDR Regulations and accordingly has been considered.

Since the equity shares of the Company have been listed on the recognized Stock Exchanges for a period of more than 90 trading days 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 undertakings specified under Regulations 163(1)

(g) and (h) of the SEBI (ICDR) Regulations.

The Company has also obtained a fair valuation report from independent registered valuer, Alphavalue Consulting Valuation LLP, Registration No IBBI/RV-E/05/2021/151 which has indicated fair value which is not greater than the minimum price computed as per the SEBI ICDR Regulations.

6. Intention of promoters/directors/key managerial personnel to subscribe to the offer:

None of the directors or key managerial personnel of the Company will subscribe to this proposed issue. Proposed Allottee being part of the Promoter Group intends to subscribe to the offer.

7. The names of the proposed allottees and the percentage of post preferential offer capital that may be held by them:

Identity of the allottee & PAN	Category	Pre Issue shareholding	Pre Issue % holding	Number of Equity Shares proposed to be allotted	Post Issue % holding*
Kedaara Capital Fund III LLP (PAN:AAWFK4084E)	Promoter Group	Nil	0.00%	31,60,556	4.57%

* assuming that the allotment under Item 1 is completed

8. Current and proposed status of the allottee(s) post the preferential issues namely, promoter or non-promoter

The Proposed Allottee will be a member of the promoter group.

9. The pre issue and post issue shareholding pattern of the Company:

The Shareholding pattern giving the present position considering full allotment of shares issued on the preferential basis, as per the aforesaid resolution, is provided as Annexure A to this Notice.

10. The identity of the natural persons who are the ultimate beneficial owners of the Equity Shares and/or who ultimately control the proposed allottee:

Name of Proposed Allottees	Details of the Ultimate Beneficial Owner/Beneficial Ownership
Kedaara Capital Fund III LLP	<ul style="list-style-type: none">No natural person holds 15% or more beneficial ownership in the Proposed Allottee;Mr. Manish Kejriwal, Mr. Sunish Sharma and Mr. Nishant Sharma are the Designated Partners of the Proposed Allottee and control the decisions of the Proposed Allottee.

11. Proposed time within which the allotment shall be completed:

As required under the SEBI ICDR Regulations, the Company shall complete the allotment of Equity Shares as aforesaid on or before the expiry of 15 (fifteen) days from the date of passing of the special resolution by the Members 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, within 15 (fifteen) days from the date of receipt of such approval(s) or permission, as the case may be.

12. No. of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:

During the year, no preferential allotment has been made to any person as of the date of this Notice.

13. Change in control, if any, in the Company that would occur consequent to the preferential offer:

There will be no change in control in the Company consequent to the completion of the preferential allotment to the Proposed Allottee.

14. The percentage of post preferential issue capital that may be held by the allottee(s) is as under:

Please refer to Paragraph 7 above.

15. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not applicable

16. Lock-in-period:

The Equity Shares shall be locked-in for such period as specified under Chapter V of the SEBI ICDR Regulations.

17. Practicing Company Secretary's certificate:

A certificate from Mr. Y Ravi Prasada Reddy (Membership No. FCS 5783), Proprietor, RPR & Associates, Practicing Company Secretaries (CP No. 5360), Hyderabad certifying that the preferential issue of the Equity Shares is being made in accordance with the requirements of SEBI ICDR Regulations shall be available for inspection by the Members on request. Kindly send your request at secretarial@spandanasphoorty.com. A copy of the certificate shall be made available on the website of the Company www.spandanasphoorty.com at <https://spandanasphoorty.com/wp-content/uploads/2022/02/1.-1632-Certificate.pdf>

18. Report of a registered valuer:

A report of a registered valuer, Alphavalue Consulting Valuation LLP, Registration No IBBI/RV-E/05/2021/151 has been obtained. The Valuation Report shall be available for inspection by the Members on request. Kindly send your request at secretarial@spandanasphoorty.com. A copy of the certificate shall be made available on the website of the Company www.spandanasphoorty.com at <https://spandanasphoorty.com/wp-content/uploads/2022/02/2.-Valuation-Report.pdf>

19. Undertaking:

The Company is in compliance with the conditions for continuous listing.

To the best of the knowledge of the Company, none of the directors or promoters of the Company and the Company are categorized as wilful defaulter(s) by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by Reserve Bank of India. Consequently, the disclosures specified under Regulation 163(1)(i) of SEBI ICDR Regulations are not applicable.

None of the Company's directors are fugitive economic offenders as defined under the SEBI ICDR Regulations.

20. Other Disclosures:

The Proposed Allottee does not hold any equity shares of the Company as of date and has not sold any Equity Shares of the Company during the six months preceding the Relevant Date.

The approval of the Members is being sought to enable the Board to issue and allot the equity shares on a preferential/private placement basis, to the extent and in the manner as set out in the resolution and the explanatory statement.

The Board believe that the proposed preferential issue is in the best interest of the Company and the Members. The Board, therefore, recommend the passing of the Resolution at Item No. 2 as a special resolution.

Except Kanchenjunga Limited and Mr. Sunish Sharma being the Designated Partner of the Proposed Allottee, none of the other Promoters, Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding in the Company.

ITEM NO.3:

The Board of Directors of the Company ("Board") at its meeting held on February 14, 2022 considered a capital raising proposal for the Company on preferential allotment/private placement basis to: (i) meet projected business growth; (ii) meet funding requirement for business activities; and (iii) general corporate purposes.

Accordingly, with the aforesaid objective in view, the Board considered an issue of fully convertible Warrants, at the aforementioned meeting, in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations") for an aggregate amount not exceeding INR 85,00,00,00.00 (Indian Rupees Eighty-five Crore only) to Kedaara Capital Fund III LLP, belonging to the promoter group of the Company ("Warrant Holder") on a preferential issue basis in terms of Chapter V of the SEBI ICDR Regulations and subject *inter alia* to the pricing requirements and lock-in-period as stipulated therein and subject to approval of members of the Company.

The Equity Shares proposed to be issued and allotted to the Warrant Holder on conversion of Warrants will be listed

on the BSE Limited and the National Stock Exchange of India Limited and will rank *pari passu* with the existing equity shares of the Company including with regard to dividend and voting rights.

The issue of the Warrants shall be on the following key terms & conditions:

- (a) A Warrant subscription price not less than 25% (i.e. the upfront amount) of the issue price of the Equity Shares will be payable at the time of subscription to the Warrants, as prescribed by 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. The balance issue price of the Equity Shares shall be payable by the Warrant Holder at the time of exercising the Warrants.
- (b) 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.
- (c) 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 Holder.
- (d) If the entitlement against the Warrants to apply for the equity shares 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.
- (e) In the event of the Company making a bonus issue of shares or making rights issue of shares/ convertible debentures or any other securities or any other corporate restructuring or arrangement including merger/ demerger/ acquisitions, in whatever proportion prior to the exercise of the rights attached to the Warrants, the entitlement of the holders shall stand augmented in the same proportion in which the equity share capital of the company increases as a consequences of such bonus/ rights issues/ corporate restructuring and that the exercise price of the Warrants be adjusted accordingly, subject to such approvals as may be required.
- (f) In the event that the Company completes any form of capital restructuring prior to the conversion of the Warrants, then, the number of Equity Shares that each Warrant converts into and the price payable for such Equity Shares, shall be adjusted accordingly in a manner that, to the extent permitted by applicable laws, the Warrant Holder: (i) receives such number of Equity Shares that Warrant Holder would have been entitled to receive; & (ii) pays such consideration for such Equity Shares to the Company which Warrant Holder would have been required to pay, had the Warrants been exercised immediately prior to the completion of such capital restructuring.
- (g) Upon exercise by the Warrants Holder, the Company shall issue and allot appropriate number of Equity Shares and perform all such actions as are required to give effect to such issue, including but not limited to delivering to Warrant Holder, evidence of the credit of the Equity Shares to the depository account of the Warrant Holder and entering the name of Warrant Holder in the records of the Company (including in the Register of Members of the Company) as the registered owner of such Equity Shares.
- (h) The Warrants by itself until exercised and equity shares allotted, does not give to the Warrant Holder thereof any rights with respect to that of a shareholder of the Company.
- (i) The Warrants and Equity Shares arising on conversion of Warrants shall be locked in as per the SEBI (ICDR) Regulations.

Approval of the Members by way of Special Resolution is being sought *inter alia* in terms of Sections 23(1)(b), 42 and 62(1)(c) of the Act as well as Chapter V of the SEBI ICDR Regulations to offer, issue and allot Equity Shares to the Warrant Holder on a preferential issue and private placement basis, as per details mentioned in the resolution at Item no.3 of the Notice.

The existing authorised share capital is INR 2150,00,00,000 (Indian Rupees Two Thousand one Hundred Fifty Crore only) divided into 90,00,00,000 (Ninety Crore only) equity shares of INR 10.00 (Indian Rupee Ten only) each and 125,00,00,000 (One Hundred and Twenty-five Crore only) preference shares of INR 10.00 (Indian Rupee Ten only) each. The proposed issue is within the limits of the authorised capital of the Company.

In terms of the provisions of the Act and the SEBI ICDR Regulations, other relevant disclosures/ details are given below:

1. Objects of the Preferential Issue:

Subject to applicable law, the Company shall utilize the proceeds from the preferential issue to: (i) meet projected business growth; (ii) meet funding requirement for business activities; and (iii) general corporate purposes.

2. No. of shares and kinds of securities

The Company proposes to issue up to 18,52,739 Fully Convertible Warrants at a price of INR 458.78 (Indian Rupees Four Hundred and Fifty-eight and Seventy-eight paisa only) per Warrant such that each Warrant is convertible into 1 (One) Equity Share of the face value of INR 10.00 (Indian Rupees Ten Only) each to the Warrant Holder on a preferential basis in compliance with applicable provisions of SEBI (ICDR) Regulations. 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 at any time after allotment and prior to completion of tenure of 18 months.

3. Relevant Date:

The “**Relevant Date**” for the preferential issue, as per the SEBI ICDR Regulations, as amended from time to time, for the determination of minimum price for the issue and allotment of Equity Shares on preferential allotment/private placement basis shall be February 14, 2022, being the date 30 (thirty) days prior to the date on which this resolution is deemed to be approved, i.e., March 16, 2022.

4. Pricing of Preferential Issue:

The price of the fully convertible Warrants to be issued is fixed at INR 458.78 (Indian Rupees Four Hundred and Fifty-eight and Seventy-eight paisa only) per Equity Share, which consists of INR 10.00 (Indian Rupee Ten only) par value and INR 448.78 (Indian Rupees Four Hundred and Forty-eight and Seventy-eight paisa only) as premium per Equity Share, which is equal to the minimum price for the preferential allotment determined in accordance with Regulation 164 of the SEBI ICDR Regulations. The Warrant Holder has expressed its desire to contribute an upfront amount of up to INR 75,00,00,000 (Indian Rupees Seventy Five crores) at the time of allotment of Warrants, being higher than the minimum 25% required to be paid under SEBI ICDR Regulations.

5. Basis on which the price has been arrived at:

The Board has decided that the preferential allotment shall be at an issue price of INR 458.78 (Indian Rupees Four Hundred and Fifty-eight and Seventy-eight paisa only) per Equity Share, which consists of INR 10.00 (Indian Rupee Ten only) par value and INR 448.78 (Indian Rupees Four Hundred and Forty-eight and Seventy-eight paisa only) as premium per Equity Share which is equal to the minimum price for the preferential allotment determined in accordance with Regulation 164 of the SEBI ICDR Regulations.

Equity Shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited and the equity shares of the Company are frequently traded for the purpose of Regulation 164 of the SEBI ICDR Regulations. For the purpose of computation of the minimum price per Equity Share, National Stock Exchange of India Limited is the stock exchange that has higher trading volume for the period as prescribed under the SEBI ICDR Regulations and accordingly has been considered.

Since the equity shares of the Company have been listed on the recognized Stock Exchanges for a period of more than 90 trading days 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 undertakings specified under Regulations 163(1) (g) and (h) of the SEBI (ICDR) Regulations.

The Company has also obtained a fair valuation report from independent registered valuer, Alphavalue Consulting Valuation LLP, Registration No IBBI/RV-E/05/2021/151 which has indicated fair value which is not greater than the minimum price computed as per the SEBI ICDR Regulations.

6. Intention of promoters/directors/key managerial personnel to subscribe to the offer:

None of the directors or key managerial personnel of the Company will subscribe to this proposed issue. Warrant Holder being part of the promoter group intends to subscribe to the offer.

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

them:

Identity of the allottee & PAN	Category	Pre Issue shareholding	Pre Issue % holding	Number of Equity Shares to be allotted under Preferential Basis	Post Issue % holding before conversion of Warrants	Number of Equity Shares to be allotted under Preferential	Post Issue % holding after conversion of Warrants
Kedaara Capital Fund III LLP	Promoter Group	Nil	0.00%	31,60,556	4.57%	50,13,295	7.07%*

* assuming that the allotment under Item 1 and 2 is completed and entire Warrants are converted.

8. **Current and proposed status of the allottee(s) post the preferential issues namely, promoter or non-promoter**
The preferential issue of Warrants is being made to Warrant Holder an entity belonging to the Promoter Group. Except this, none of the Promoters, Directors or Key Managerial Personnel the Company intends to subscribe to the Offer.
9. **The pre issue and post issue shareholding pattern of the Company:**
The Shareholding pattern giving the present position considering full allotment of Equity Shares and conversion of Warrants into Equity Shares issued on the preferential basis, as per the aforesaid resolution, is provided as Annexure B to this Notice.
10. **The identity of the natural persons who are the ultimate beneficial owners of the Equity Shares and/or who ultimately control the proposed allottee:**

Name of Proposed Allottees	Details of the Ultimate Beneficial Owner/Beneficial Ownership
Kedaara Capital Fund III LLP	<ul style="list-style-type: none"> No natural person holds 15% or more beneficial ownership in the Proposed Allottee; Mr. Manish Kejriwal, Mr. Sunish Sharma and Mr. Nishant Sharma are the Designated Partners of the Proposed Allottee and control the decisions of the Proposed Allottee.

11. **Proposed time within which the allotment shall be completed:**
As required under the SEBI ICDR Regulations, the Company shall complete the allotment of Equity Shares as aforesaid on or before the expiry of 15 (fifteen) days from the date of passing of the special resolution by the Members 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, within 15 (fifteen) days from the date of receipt of such approval(s) or permission, as the case may be.
12. **No. of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:**
During the year, no preferential allotment has been made to any person as of the date of this Notice.
13. **Change in control, if any, in the Company that would occur consequent to the preferential offer:**
There will be no change in control in the Company consequent to the completion of the preferential allotment to the Warrant Holder.
14. **The percentage of post preferential issue capital that may be held by the allottee(s) is as under:**
Please refer to Paragraph 7 above.
15. **The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**
Not applicable
16. **Lock-in-period:**
The Equity Shares shall be locked-in for such period as specified under Chapter V of the SEBI ICDR Regulations.
17. **Practicing Company Secretary's certificate:**
A certificate from Mr. Y Ravi Prasada Reddy (Membership No. FCS 5783), Proprietor, RPR & Associates, Practicing Company Secretaries (CP No. 5360), Hyderabad certifying that the preferential issue of the Equity Shares is being

made in accordance with the requirements of SEBI ICDR Regulations shall be available for inspection by the Members on request. Kindly send your request at secretarial@spandanasphoorty.com. A copy of the certificate shall be made available on the website of the Company www.spandanasphoorty.com at <https://spandanasphoorty.com/wp-content/uploads/2022/02/1.-1632-Certificate.pdf>

18. Report of a registered valuer:

A report of a registered valuer, Alphavalue Consulting Valuation LLP, Registration No IBBI/RV-E/05/2021/151 has been obtained. The Valuation Report shall be available for inspection by the Members on request. Kindly send your request at secretarial@spandanasphoorty.com. A copy of the certificate shall be made available on the website of the Company www.spandanasphoorty.com at <https://spandanasphoorty.com/wp-content/uploads/2022/02/2.-Valuation-Report.pdf>

19. Undertaking:

- i. The Company would re-compute the price of the securities specified above in terms of the provisions of SEBI ICDR Regulations, where it is so required;
- ii. If the amount payable, if any, on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR Regulations the above warrants/shares shall continue to be locked-in till the time such amount is paid by the allottees;
- iii. The Company is in compliance with the conditions for continuous listing.
- iv. To the best of the knowledge of the Company, none of the directors or promoters of the Company and the Company are categorized as wilful defaulter(s) by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by Reserve Bank of India. Consequently, the disclosures specified under Regulation 163(1)(i) of SEBI ICDR Regulations are not applicable.
- v. None of the Company's directors are fugitive economic offenders as defined under the SEBI ICDR Regulations.

20. Other Disclosures:

The Warrant Holder does not hold any equity shares of the Company as of date and has not sold any Equity Shares of the Company during the six months preceding the Relevant Date.

The Company is eligible to make the preferential issue to its promoter (including promoter group) under Chapter V of the SEBI ICDR Regulations.

The approval of the Members is being sought to enable the Board to issue Fully Convertible Warrants on preferential basis and allot the equity shares on conversion of Warrants, to the extent and in the manner as set out in the resolution and the explanatory statement.

The Board believe that the proposed preferential issue is in the best interest of the Company and the Members. The Board, therefore, recommend the passing of the Resolution at Item No. 3 as a special resolution.

Except Kanchenjunga Limited and Mr. Sunish Sharma being the Designated Partner of the Proposed Allottee, none of the other Promoters, Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding in the Company.

**By the Order of the Board of Directors
For Spandana Sphoorty Financial Limited
Sd/-
Ramesh Periasamy
Company Secretary & Compliance Officer**

**Place: Hyderabad
Date: February 14, 2022**

Annexure A: The Shareholding pattern giving the present position considering full allotment of Equity Shares issued on the preferential basis in Item 1 and Item 2:

Sr. No.	Category of shareholder	Pre-Issue of Equity Shares (As on February 11, 2022)		Post Issue of Equity Shares on Preferential Basis	
		Number of Shares	% of total shares	Number of Shares	% of total shares
(A)	Promoters and Promoter Group Holding				
1	Indian Promoters / Promoter Group				
(a)	Individuals / HUF	1,08,15,927	16.79%	1,08,15,927	15.65%
(b)	Bodies Corporate	0	0.00%	31,60,556	4.57%
	Sub Total	1,08,15,927	16.79%	1,39,76,483	20.23%
2	Foreign Promoters / Promoter Group	2,93,03,172	45.50%	2,93,03,172	42.41%
	Total Shareholding of Promoter and Promoter Group	4,01,19,099	62.29%	4,32,79,655	62.64%
(B)	Non-Promoters' Shareholding				
1	Institutions				
(a)	Mutual Funds	11,877	0.02%	11,877	0.02%
(b)	Banks / FI	2,83,631	0.44%	2,83,631	0.41%
(c)	Insurance Companies	30,54,560	4.74%	30,54,560	4.42%
(d)	FPIs	62,41,672	9.69%	62,41,672	9.03%
(e)	AIFs	26,35,901	4.09%	26,35,901	3.81%
	Sub Total (B)(1)	1,22,27,641	18.98%	1,22,27,641	17.70%
2	Non- Institutions				
(a)	Bodies Corporate				
i)	Indian	13,95,410	2.17%	13,95,410	2.02%
ii)	Overseas	51,08,568	7.93%	66,34,354	9.60%
(b)	Individuals	42,35,320	6.58%	42,35,320	6.13%
(c)	NRIs	2,35,428	0.36%	2,35,428	0.34%
(d)	Clearing Members	1,54,952	0.24%	1,54,952	0.22%
(e)	HUFs	1,27,525	0.20%	1,27,525	0.18%
(f)	Trusts	8,04,245	1.25%	8,04,245	1.16%
	Sub Total (B)(2)	1,20,61,448	18.73%	1,35,87,234	19.66%
	Total Non-Promoters' Shareholding	2,42,89,089	37.71%	2,58,14,875	37.36%
(C)	Custodians for GDRs and ADRs				
		0	0.00%	0	0.00%
	GRAND TOTAL	6,44,08,188	100.00	6,90,94,530	100.00

Annexure B: The Shareholding pattern giving the present position considering full allotment of Equity Shares issued on the preferential basis under Item 1 and 2 and conversion of all Warrants into Equity Shares

Sr. No.	Category of shareholder	Pre-Issue of Equity Shares (As on February 11, 2022)		Post Issue of Equity Shares, before conversion of Warrants		Post Issue of Equity Shares, after conversion of Warrants	
		Number of Shares	% of total shares	Number of Shares	% of total shares	Number of Shares	% of total shares
(A)	Promoters and Promoter Group Holding						
1	Indian Promoters / Promoter Group						
(a)	Individuals / HUF	1,08,15,927	16.79%	1,08,15,927	15.65%	1,08,15,927	15.25%
(b)	Bodies Corporate	0	0.00%	31,60,556	4.57%	50,13,295	7.07%
	Sub Total	1,08,15,927	16.79%	1,39,76,483	20.23%	158,29,222	22.31%
2	Foreign Promoters / Promoter Group	2,93,03,172	45.50%	2,93,03,172	42.41%	2,93,03,172	41.30%
	Total Shareholding of Promoter and Promoter Group	4,01,19,099	62.29%	4,32,79,655	62.64%	4,51,32,394	63.61%
(B)	Non-Promoters' Shareholding						
1	Institutions						
(a)	Mutual Funds	11,877	0.02%	11,877	0.02%	11,877	0.02%
(b)	Banks / FI	2,83,631	0.44%	2,83,631	0.41%	2,83,631	0.40%
(c)	Insurance Companies	30,54,560	4.74%	30,54,560	4.42%	30,54,560	4.31%
(d)	FPIs	62,41,672	9.69%	62,41,672	9.03%	62,41,672	8.80%
(e)	AIFs	26,35,901	4.09%	26,35,901	3.81%	26,35,901	3.72%
	Sub Total (B)(1)	1,22,27,641	18.98%	1,22,27,641	17.70%	1,22,27,641	17.23%
2	Non- Institutions						
(a)	Bodies Corporate						
i)	Indian	13,95,410	2.17%	13,95,410	2.02%	13,95,410	1.97%
ii)	Overseas	51,08,568	7.93%	66,34,354	9.60%	66,34,354	9.35%
(b)	Individuals	42,35,320	6.58%	42,35,320	6.13%	42,35,320	5.97%
(c)	NRIs	2,35,428	0.36%	2,35,428	0.34%	2,35,428	0.33%
(d)	Clearing Members	1,54,952	0.24%	1,54,952	0.22%	1,54,952	0.22%
(e)	HUFs	1,27,525	0.20%	1,27,525	0.18%	1,27,525	0.18%
(f)	Trusts	8,04,245	1.25%	8,04,245	1.16%	8,04,245	1.13%
	Sub Total (B)(2)	1,20,61,448	18.73%	1,35,87,234	19.66%	1,35,87,234	19.15%
	Total Non-Promoters' Shareholding	2,42,89,089	37.71%	2,58,14,875	37.36%	2,58,14,875	36.39%
(C)	Custodians for GDRs and ADRs						
	GRAND TOTAL	6,44,08,188	100.00	6,90,94,530	100.00	7,09,47,270	100.00