



# TRANSWARRANTY FINANCE LIMITED

TFL/SEC/2019-20/19

04/09/2019

The Manager,  
Corporate Relations Dept.,  
BSE Ltd.,  
P.J. Towers,  
Dalal Street, Fort  
Mumbai- 400 001

The Manager  
Listing Department  
National Stock Exchange of India Ltd.  
Bandra Kurla Complex  
Bandra (East)  
Mumbai

**BSE Scrip Code : 532812**

**NSE Scrip Code : TFL**

Dear Sir,

**Sub: Intimation of Annual General Meeting and Book Closure**

This is to inform you that the 25<sup>th</sup> Annual General Meeting (AGM) of the Company will be held on Friday, 27<sup>th</sup> September, 2019 at 10.30 a.m. at Cultural Hall of Yashwantrao Chavan Pratishthan, Y. B. Chavan Centre, General Jagannath Bhosle Marg, Next to Sachivalaya Gymkhana, Mumbai 400021.

The Book Closure dates are fixed as below:

Company Scrip Code	Type of Security and Face Value per Share	Book Closure	Purpose
BSE- 532812 NSE- TFL	Equity Shares of Rs. 10/- each	21 <sup>st</sup> September, 2019 to 27 <sup>th</sup> September, 2019 (both days inclusive)	Annual General Meeting

The notice of 25<sup>th</sup> Annual General Meeting and Annual Report of our Company is enclosed herewith.

Kindly take the same on your records.

Yours faithfully,

For **TRANSWARRANTY FINANCE LIMITED**



*Mumbai*  
**Authorised Signatory**

Encl: a/a

**CIN : L65920MH1994PLC080220**

403, Regent Chambers, Nariman Point, Mumbai - 400 021. • Tel : 6630 6090 / 2204 7965  
Fax : 6630 6655 / 4001 0999 • e-mail : mail@transwarranty.com • website : www.transwarranty.com



## NOTICE

**NOTICE** is hereby given that the 25<sup>th</sup> Annual General Meeting of Transwarranty Finance Limited will be held at Cultural Hall of Yashwantrao Chavan Pratishthan, Y. B. Chavan Centre, General Jagannath Bhosle Marg, Next to Sachivalaya Gymkhana, Mumbai 400021, on Friday, 27<sup>th</sup> September, 2019 at 10.30 a.m. to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the financial year ended 31<sup>st</sup> March, 2019 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. U. Ramachandran (DIN 00493707), who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and, if thought fit, to pass the following resolution, as an **Ordinary Resolution**:

**“RESOLVED THAT** in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, S. S. Khan & Co, Chartered Accountants (Firm Registration No. 133324W), be and are hereby appointed as the Auditors of the Company to hold such office for a period of five years from the conclusion of this Annual General Meeting till the conclusion of the Thirtieth Annual General Meeting, at a remuneration of ₹2,10,000/- (Rupees Two Lakhs and Ten Thousand only) to conduct statutory audit including Limited Reviews for the financial year 2019-20 payable in one or more installments plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred.”

### Special Business:

4. **Re-appointment of Mr. Pravin Khatau as an independent director for a second term of five consecutive years w.e.f. 25<sup>th</sup> February, 2020**

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

**“RESOLVED THAT** pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the ‘Act’) including the rules made thereunder read with Schedule IV to the Act and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Pravin Khatau

(DIN 02425468), who was appointed as an independent director of the Company for a term of five years up to 24<sup>th</sup> February, 2020 and who being eligible for re-appointment as an independent director has given his consent alongwith a declaration that he meets criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and in respect of whom a notice in writing pursuant to Section 160 of the Act has been received from a member in the prescribed manner be re-appointed as an independent director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 25<sup>th</sup> February, 2020 to 24<sup>th</sup> February, 2025.”

5. **Re-appointment of Mrs. Nirmala Sachin Parab as an independent director for a second term of five consecutive years w.e.f. 30<sup>th</sup> March, 2020**

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

**“RESOLVED THAT** pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the ‘Act’) including the rules made thereunder read with Schedule IV to the Act and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mrs. Nirmala Sachin Parab (DIN 07149007), who was appointed as an independent director of the Company for a term of five years up to 29<sup>th</sup> March, 2020 and who being eligible for re-appointment as an independent director has given her consent alongwith a declaration that she meets criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and in respect of whom a notice in writing pursuant to Section 160 of the Act has been received from a member in the prescribed manner be re-appointed as an independent director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 30<sup>th</sup> March, 2020 to 29<sup>th</sup> March, 2025.”

6. **Issuance of Non-Convertible Debentures on Private Placement Basis**

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

**“RESOLVED THAT** pursuant to the provisions of Section(s) 42, 71 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory

modification(s) or re-enactment thereof for the time being in force read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended and the Companies (Share Capital and Debentures) Rules, 2014, as amended, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions of the Memorandum and Articles of Association of the Company; the applicable rules of Reserve Bank of India regarding issue of Non-Convertible Debentures on Private Placement Basis by Non-Banking Financial Companies and subject to such other applicable approval(s), permission(s) and sanction(s), as may be required, the approval of members of the Company be and is hereby accorded to the Board of Directors of the Company (including any Committee thereof constituted or to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) ("Board"), to offer or invite subscriptions for secured and/or unsecured redeemable Non-convertible Debentures including subordinated debt ("NCDs"), in one or more series/ tranches upto an aggregate amount of ₹50 Crores (Rupees Fifty Crores Only) within the overall borrowing limits approved or to be approved by the members from time to time under Section 180(1)(c) of the Act, on a private placement basis and on such terms and conditions as the Board may, from time to time, determine and consider proper and beneficial to the Company.

**RESOLVED FURTHER THAT** approval of the Company be and is hereby given to all offers or invitations to subscribe to the non-convertible debentures to be issued by the Company for a period of one year commencing from 27<sup>th</sup> September 2019.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of the Company, be and is hereby authorized, to approve, decide, vary or modify the terms and conditions applicable to the issue of aforesaid Non - Convertible Debentures including the class of investors, securities to be offered, number of securities, series, tranches, issue price, denomination, currency, tenure, interest rate, premium/discount, repayment, listing or otherwise, howsoever, as it may think appropriate and to do all acts, deeds, and things, as it may, in its absolute discretion, consider necessary, expedient or desirable including appointment of intermediaries including Debenture Trustees and to sign and execute any deed(s)/ document (s)/ undertaking (s)/ agreement (s)/ paper(s)/ underwriting (s) and also to delegate all or any of the above powers, as may be required to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company."

#### 7. Increase in the borrowing limits:

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

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board") to borrow, from time to time, any sum or sums of money, in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount so borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company's Bankers in the ordinary course of business, shall not exceed ₹250 Crores (Rupees Two Hundred and Fifty Crores Only)."

#### 8. Raising of funds by way of External Commercial Borrowings

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

**"RESOLVED THAT** pursuant to the provisions of Section 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), including any amendment, modification, variation or re-enactment and other applicable guidelines, directions or laws, the consent of the Company be and is hereby accorded to the Board of Directors of the Company, to make offers, invitations and issue of Secured Redeemable Foreign Currency/ Rupee Denominated Bonds or other instruments in one or more tranches/series, on private placement basis or otherwise, with the consent being valid for a period of 1 (one) year from the date hereof, on such terms and conditions including the price, coupon, premium/discount, tenor, listing of Foreign Currency/ Rupee Denominated Bonds, obtaining credit ratings etc., as may be determined by the Board of Directors (or any other person so authorised by the Board of Directors), based on the prevailing market conditions.

**RESOLVED FURTHER THAT** the aggregate amount to be raised through the issuance of Foreign Currency/ Rupee Denominated Bonds or other instruments pursuant to the authority under this Resolution shall not exceed Rupee equivalent to USD 25 MN;

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee(s) constituted/to be constituted by the Board, from time to time to exercise its powers



conferred by this resolution thereof), be and is hereby authorised to do all such acts, deeds, matters and things and to execute all such agreements, documents, instruments, application, etc. as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the aforesaid Resolution as it may deem fit and to delegate all or any of its powers herein conferred to any of the Directors and/or Officers of the Company, to give effect to this Resolution.”

**9. Creation of charge on the assets of the Company under Section 180(1)(a) of the Act**

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

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 read with such Rules as may be applicable (including any statutory modification(s) or amendment(s) thereto or re-enactment thereof for the time being in force) and in terms of the Memorandum and Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) for creation of such mortgage, charge and/or hypothecation as may be necessary, in addition to the existing charges, mortgages and hypothecations, if any, created by the Company, on such of the assets of the Company, both present and future, and/ or on the whole or substantially the whole of the undertaking or the undertakings of the Company, in such manner as the Board may direct, in favour of financial institutions, investment institutions, banks, insurance companies, mutual funds, trusts, other bodies corporate or any other person(s) (hereinafter referred to as the “Lending Agencies”) and Trustees for the holders of debentures/ bonds and/or other instruments which may be issued on private placement basis or otherwise, to secure rupee term loans/foreign currency loans, debentures, bonds and other instruments, including but not restricted to securing those facilities which have already been sanctioned, including any enhancements therein, upto a limit of an outstanding aggregate amount of ₹250 crores (Rupees Two Hundred and Fifty Crores only) (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business), together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the Trustees under

the Trust Deed and to the Lending Agencies under their respective Agreements/ Loan Agreements/Debenture Trust Deeds entered/to be entered into by the Company in respect of the said borrowings.

**RESOLVED FURTHER THAT** that the Board be and is hereby authorised and empowered to do all such acts, deeds, matters and things, arrange, give such directions as may be deemed necessary or expedient, or settle the terms and conditions of such instrument, securities, loan, debt instrument as the case may be, on which all such moneys as are borrowed, or to be borrowed, from time to time, as to interest, repayment, security or otherwise howsoever as it may think fit, and to execute all such documents, instruments and writings as may be required to give effect to this Resolution and for matters connected therewith or incidental thereto, including intimating the concerned authorities or other regulatory bodies and delegating all or any of the powers conferred herein to any Committee of Directors or Officers of the Company.”

**10. Approval of ‘Employees Stock Option Plan 2019’ (‘ESOP 2019’)**

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

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the provisions of Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and relevant provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India (collectively referred to as “SEBI SBEB Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant clauses of the Memorandum and Articles of Association of the Company and subject further to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval of the Company be and is hereby accorded to the introduction of Employees Stock Option Plan 2019 (“ESOP 2019”) (referred to as “Plan”) authorising the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, including the Nomination, Remuneration and Compensation Committee (“NRCC”), which the Board has constituted to exercise its powers, including the powers, conferred by this resolution read with Regulation 5 of SEBI SBEB Regulations) to create, issue and grant/

allot such number of options thereunder, in one or more tranches, from time to time, to the eligible employees of the Company, as defined under SEBI SBEB Regulations and aforesaid Plan, which upon exercise shall not exceed in aggregate (including shares arising pursuant to grant of options to eligible employees of the subsidiary(ies) of the Company pursuant to resolution proposed under item no 11) upto 25,00,000 (Twenty Five lakhs) equity shares of face value of ₹10/- (Rupees Ten) each fully paid-up of the Company, where one option upon exercise shall entitle for one equity share to be issued, subject to such terms and conditions as may be determined in accordance with the provisions of the applicable laws including SEBI SBEB Regulations and the provisions of the Plan.

**RESOLVED FURTHER THAT** the equity shares so issued and allotted as mentioned hereinbefore shall rank pari passu with the then existing equity shares of the Company.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any, additional equity shares are issued by the Company to the grantees for the purpose of making a fair and reasonable adjustment to the employee stock options granted earlier, the ceiling in terms specified above shall be deemed to be increased to the extent of such additional equity shares issued.

**RESOLVED FURTHER THAT** in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the Plan shall automatically stand reduced or augmented, as the case may be, in the same proportion as the present face value of Rs.10/- (Rupees Ten) per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Plan.

**RESOLVED FURTHER THAT** the Board, including any Committee of the Board, be and is hereby authorized at any time to modify, change, revise, vary, alter, amend, suspend or terminate the Plan subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion, for such purpose and also to settle any issues, questions, difficulties or doubts that may

arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, revision, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof in conformity with the provisions of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, SEBI SBEB Regulations and any other applicable laws in force.

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deem necessary including authorizing or directing to appoint merchant bankers, brokers, solicitors, registrars, compliance officer and other advisors, consultants or representatives, being incidental to the effective implementation and administration of the Plan as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard.

#### **11. Approval of 'Employees Stock Option Plan 2019' ('ESOP 2019') to the employees of Subsidiary(ies) of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, the provisions of Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and relevant provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India (collectively referred to as "SEBI SBEB Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant clauses of the Memorandum and Articles of Association of the Company and subject further to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval of the Company be and is hereby accorded authorizing the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination, Remuneration and



Compensation Committee ('NRCC'), which the Board has constituted to exercise its powers, including the powers, conferred by this resolution and under Regulation 5 of the SEBI SBEB Regulations) to offer, create, and grant/allot from time to time, in one or more tranches, such number of options under 'Employees Stock Option Plan 2019' ("ESOP 2019") (referred to as "Plan") within the limit prescribed under resolution proposed under item no 10, to eligible employees (as defined under SEBI SBEB Regulations and aforesaid Plan) of any present or future subsidiary or subsidiaries of the Company whether in or outside India as may be decided under the Plan, exercisable into corresponding number of equity shares of face value of Rs.10/- (Rupees Ten) each fully paid-up, where one option would convert into one equity share of the Company to be issued, upon exercise, subject to such terms and conditions as may be determined in accordance with the provisions of the applicable laws including SEBI SBEB Regulations and the provisions of the Plan.

**RESOLVED FURTHER THAT** the equity shares so issued and allotted as mentioned hereinbefore shall rank pari passu with the then existing equity shares of the Company.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are issued by the Company to the grantees for the purpose of making a fair and reasonable adjustment to the employee stock options granted earlier, the ceiling in terms specified above shall be deemed to be increased to the extent of such additional equity shares issued.

**RESOLVED FURTHER THAT** in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the Plan shall automatically stand reduced or augmented, as the case may be, in the same proportion as the present face value of Rs.10/- (Rupees Ten) per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Plan.

**RESOLVED FURTHER THAT** the Board, including any Committee of the Board, be and is hereby authorized at any time to modify, change, revise, vary, alter, amend,

suspend or terminate the Plan subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, revision, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof in conformity with the provisions of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, SEBI SBEB Regulations and any other applicable laws in force.

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deem necessary including authorizing or directing to appoint merchant bankers, brokers, solicitors, registrars, compliance officer and other advisors, consultants or representatives, being incidental to the effective implementation and administration of the Plan as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard."

## **12. Grant of Options under ESOP 2019 exceeding 1% of issued share capital of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the provisions of Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and relevant provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India (collectively referred to as "SEBI SBEB Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant clauses of the Memorandum and Articles of Association of the Company and subject further to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions,

and specifically under clause (d) of sub-regulation (3) of Regulation 6 of SEBI SBEB Regulations the approval of the Company be and is hereby accorded to the Board, including Committees thereof to grant options, during one year, exceeding one percent of the issued share capital (excluding outstanding warrants and conversions) of the Company under Employees Stock Option Plan 2019 ("ESOP 2019"), upto 25,00,000 (Twenty Five lakhs) equity shares of face value of ₹10/- (Rupees Ten) each fully paid-up of the Company, where one option upon exercise shall entitle for one equity share to be issued, subject to such terms and conditions as may be determined in accordance with the provisions of the applicable laws including SEBI SBEB Regulations and the provisions of the Plan.

**RESOLVED FURTHER THAT** the Board, including any Committee of the Board, be and is hereby authorized at any time to modify, change, revise, vary, alter, amend, suspend or terminate the Plan subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, revision, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof in conformity with the provisions of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, SEBI SBEB Regulations and any other applicable laws in force.

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deem necessary including authorizing or directing to appoint merchant bankers, brokers, solicitors, registrars, compliance officer and other advisors, consultants or representatives, being incidental to the effective implementation and administration of the Plan as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard.

### 13. Approval for material related party transactions

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

**"RESOLVED THAT** pursuant to the provisions of the

Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as applicable and any amendments thereto and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, approval of the members of the Company be and is hereby accorded to the Board of Directors (including its committee thereof), to ratify/ approve all existing contracts / arrangements /agreements entered into/to be entered by the Company with Vertex Securities Limited, being a related party in which some of the Directors and their relatives are interested, and hence related parties within the meaning of the aforesaid law, the value of which either singly or all taken together may exceed ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, by an amount not exceeding ₹50 Crores (Rupees Fifty Crores); as per the details mentioned in the Explanatory Statement annexed hereto.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory or contractual, in relation to the above and be authorized to approve aforesaid transactions and the terms and conditions thereof.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds and things, to sign, execute all such documents, instruments in writing on an ongoing basis as may be required in its absolute discretion pursuant to the above resolution."

By Order of the Board of Directors,  
For **Transwarranty Finance Limited**

**Sreedhar H.**  
Company Secretary

Regd Office:  
403, Regent Chambers,  
Nariman Point, Mumbai 400021

Place: Mumbai  
Date : 29 August, 2019

**NOTES:**



1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto. Additional Information required pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 with regard to director seeking appointment/ re-appointment at the Annual General Meeting (AGM) is annexed hereto.

**2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Members holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable to attend and vote on their behalf at the meeting. Proxies are requested to bring their ID proof at the meeting for the purpose of identification. A Proxy Form is annexed to this Report.

3. During the period beginning 24 (Twenty-Four) hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, members would be entitled to inspect the proxies lodged with the Company at any time during the business hours at the Registered Office of the Company, provided not less than 3 (Three) days' of notice in writing is given to the Company.

4. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.

5. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 21<sup>st</sup> September, 2019 to Friday, 27<sup>th</sup> September, 2019 (both days inclusive).

6. Pursuant to Section 101 and Section 136 of the

Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company can now register the same by notifying the Company at [companysecretary@transwarranty.com](mailto:companysecretary@transwarranty.com) or Registrar & Share Transfer Agents of the Company, Link Intime India Pvt. Ltd. at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

7. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.

8. Relevant documents referred to in the Notice will be available for inspection at the Registered Office and the Corporate Office of the Company between 10.00 a.m. to 12.00 noon, on all working days except Saturdays, Sundays and Public Holidays, up to and including the date of the Annual General Meeting of the Company.

9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents (RTA), Link Intime India Pvt. Ltd. to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to RTA.

The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members



holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA.

10. SEBI had vide Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 read with BSE circular no. LIST/COMP/15/2018-19 dated July 05, 2018 and NSE circular no. NSE/CML/2018/26 dated July 09, 2018 and as per Regulation 40 of the Listing Regulations, as amended, directed that securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. However, Shareholders can continue to hold shares in physical form. Accordingly, Shareholders holding securities in physical form were separately communicated at their registered address by RTA vide three letters sent on August 23, 2018, October 1, 2018 and November 20, 2018 by Registered Post, to dematerialise their physical holding for any further transfer.

In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Shareholders holding shares in physical form are requested to consider converting their holdings to dematerialized form. Shareholders can contact the Company or RTA for assistance in this regard.

11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Link Intime India Pvt. Ltd., for consolidation into a single folio.
12. Members/proxies are requested to bring the attendance slip/proxy form duly filled and signed for attending the meeting. Proxies are requested to bring their ID proof at the meeting for the purpose of identification.
- In case of joint holders attending the meeting, only such joint holder whose name appears first in the order of names will be entitled to vote at the meeting.
13. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The facility of casting the votes by the members using electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

14. The facility for voting through polling paper/ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
15. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on the cut-off date i.e. Friday, 20<sup>th</sup> September, 2019 i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. The e-voting period will commence at 9.00 AM on Monday, 23<sup>rd</sup> September, 2019 and will end at 5.00 PM on Thursday, 26<sup>th</sup> September, 2019. The Company has appointed Mr. Yogesh Sharma, Practicing Company Secretary (C. P. No.12366) to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

#### STEPS FOR REMOTE E-VOTING :-

- I. The remote e-voting period commences at 9.00 AM IST on Monday, 23<sup>rd</sup> September, 2019 and will end at 5.00 PM on Thursday, 26<sup>th</sup> September, 2019. During this period, the members of the Company holding shares in either in physical form or in dematerialized form, as on the cut-off date of Friday, 20<sup>th</sup> September, 2019 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on resolution is cast by the member, the member shall not be allowed to change it subsequently.

#### The instructions for members for voting electronically are as under:-

#### How do I vote electronically using NSDL e-Voting system?

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

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

#### Details on Step 1 is mentioned below:

#### 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 'Shareholders' section.



3. A new screen will open. You will have to enter your User ID, your Password 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.

8 Character DP ID followed by 8 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.

16 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 111938 then user ID is 111938001\*\*\*

5. Your password details 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 8 digit client ID for NSDL

account, last 8 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, your 'initial password' is communicated to you on your postal address.

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](http://www.evoting.nSDL.com).

- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nSDL.com](http://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](mailto:evoting@nSDL.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

- 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 on 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.

**Details on Step 2 is given below:**

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. 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.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders

1. Institutional shareholders (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 csymsharma@gmail.com with a copy marked to evoting@nsdl.co.in.
2. 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.nsd.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
- II. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- III. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date of Friday, 20<sup>th</sup> September, 2019 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- IV. Mr. Yogesh Sharma, Practicing Company Secretary (CP No. 12366) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- V. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

VI. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty-eight hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

VII. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.transwarranty.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited & NSE Limited, Mumbai.

#### 16. Transfer to Investor Education and Protection Fund:

- i. In terms of the provisions of Section 124 and Section 125 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016 ("the IEPF Rules") notified by the Ministry of Corporate Affairs with effect from 7<sup>th</sup> September, 2016, as amended, all unclaimed/ unpaid dividend remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment, are required to be transferred to the Investor Education and Protection Fund ("IEPF") administered by the Central Government.

Further, pursuant to Section 124 of the Act read with the IEPF Rules all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

In accordance with the aforesaid IEPF Rules, the Company has regularly sent communication to all such shareholders whose dividends are lying unpaid/ unclaimed against their name for seven consecutive years or more and whose shares are due for transfer to the IEPF Authority and has also published notice(s) in leading newspapers in English and regional language having wide circulation.

The details of such dividends/ shares to be transferred to IEPF are uploaded on the website of the Company at www.transwarranty.com.

- ii. The details of dividend paid by the Company and respective due date of transfer to the said Fund which remain unclaimed are as under:



Date of Declaration of dividend	Dividend for the year	Amount unclaimed (Rs.)	Last date for claiming unpaid / unclaimed dividend	Proposed Period for transfer of unclaimed dividend to IEPF
12-09-2012	2011 - 12	24,758.50/-	26-10-2019	27-10-2019 to 10-11-2019

The Company urges all the Members to encash/claim their respective dividend during the prescribed period. Members who have not encashed the dividend warrants so far in respect of the aforesaid period, are requested to make their claim to Link Intime India Pvt. Ltd. well in advance of the above due dates.

iii. Members whose shares or unclaimed dividend has been transferred to the IEPF, may claim the shares or apply for refund of the unclaimed amounts as the case may be, to the IEPF Authority, by making an electronic application in e-Form IEPF-5 as detailed on the website of the Ministry of Corporate Affairs at the web-link: <http://www.iepf.gov.in/IEPF/refund.html>. Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules. No claim lies against the Company in respect of the shares/unclaimed amounts so transferred.

17. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to Link Intime India Pvt. Ltd. having their office at C-101, 247 Park,

LBS Rd, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility. If a Member desires to cancel the earlier nomination and record fresh nomination, he/she may submit the same in Form No. SH-14. Both the forms are also available on the website of the Registrar and Share Transfer Agents of Company at the weblink: <https://linkintime.co.in/downloads.html>.

18. Members are requested to address all correspondences, including dividend matters to the Registrars and Transfer Agents of the Company.

19. The Company has designated an exclusive email Id viz. [companysecretary@transwarranty.com](mailto:companysecretary@transwarranty.com) to enable the investors to post their grievances and monitor its redressal.

By Order of the Board of Directors,  
For **Transwarranty Finance Limited**

**Sreedhar H.**  
Company Secretary

Regd Office:  
403, Regent Chambers,  
Nariman Point, Mumbai 400021

Place: Mumbai  
Date : 29 August, 2019

**Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 & additional information on directors recommended for appointment/re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Item No. 2**

**Re-appointment of Mr. U. Ramachandran (DIN 00493707)**

<b>Name of Director</b>	Mr. U Ramachandran
<b>DIN</b>	00493707
<b>Date of Birth</b>	25/11/1956
<b>Type of Appointment</b>	Director retiring by rotation
<b>Date of first appointment by the Board</b>	25/02/2015
<b>Qualification</b>	B. Com(Hons),F.C.A.
<b>No. of Shares held</b>	2,66,909 Equity Shares of ₹10 each
<b>Experience in Specific</b>	He is a successful Chartered Accountant and a Fellow Member of the Institute of Chartered Accountants of India. He was a Senior Partner with M/s. Haridas Associates, a leading firm of Chartered Accountants in Mumbai. He has an excellent knowledge in Audit, Capital Market and Investment Banking. He is also the Managing Director of the subsidiary Company, Vertex Securities Limited and a Director of step down subsidiary Vertex Commodities And Finpro Pvt. Limited.
<b>Directorships held in other companies</b>	1. Vertex Securities Limited 2. Vertex Commodities And Finpro Pvt. Ltd. 3. Transwarranty Capital Market Services Pvt. Ltd. 4. Welworth Sales And Services Pvt. Ltd. 5. Suncem Surface Coatings Pvt. Ltd.
<b>Membership of Committees of other listed public companies</b>	Member of Audit Committee and Stakeholders' Relationship Committee in Vertex Securities Limited
<b>Disclosure of relationships between directors inter-se</b>	None of the directors are related to each other
<b>Justification for appointment</b>	Excellent knowledge in Audit and accounting profession, Financial Services and Capital Market.

**Item No. 3**

**Appointment of Auditor:**

The Members of the Company at the 21<sup>st</sup> Annual General Meeting ('AGM') held on 11<sup>th</sup> September, 2015 approved the appointment of M/s. Rahul Gautam Divan & Associates, Chartered Accountants, as the Auditors of the Company for a period of four years from the conclusion of the said AGM. The said auditors will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014. The present remuneration of M/s. Rahul Gautam Divan & Associates is ₹2,10,000 to conduct statutory audit including Limited Reviews for the financial year 2018-19 plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred and excluding the tax audit fees of ₹30,000.

The Board of Directors of the Company ('the Board'), on the

recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the appointment of S. S. Khan & Co, Chartered Accountants, as the Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 30<sup>th</sup> AGM, subject to his Peer Review Certification. On the recommendation of the Committee, the Board also recommended for the approval of the Members, the remuneration of ₹2,10,000/- (Rupees Two Lakhs and Ten Thousand only) plus GST as applicable and out of pocket expenses, for statutory audit including Limited Reviews for the financial year 2019-20 as set out in the Resolution relating to their appointment.

The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, clientele served, technical knowledge etc., and found the said audit firm to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.



S S Khan & Co (Firm Registration No.: 133324W), (“the Audit Firm”) is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The Audit Firm was established in the year 2012 and is a proprietary firm having its registered office in Mumbai, India. The Audit Firm primarily renders audit and assurance services to its clients engaged in Financial Services, Hospitality Services and Business Management Services.

S.S.Khan & Co. have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval.

#### **Item 4 & 5**

##### **Re-appointment of Independent Directors**

Section 149 of the Act, requires every listed company to have atleast one-third of the total number of directors as independent directors. Accordingly, on the recommendations of Nomination and Remuneration Committee, the Board of Directors, in their meeting appointed Mr. Pravin Khatau as independent director of the Company for a first term of five consecutive years from 25 February 2015 up to 24 February 2020. Similarly, Mrs. Nirmala Parab was also appointed as an independent director for a first term of five consecutive years with effect from 30<sup>th</sup> March 2015 up to 29<sup>th</sup> March 2020. These appointments were also approved by the members at twenty first AGM of the Company held on 11<sup>th</sup> September, 2015.

Since the first term of these independent directors is due for expiry, based on the recommendation of the Nomination and Remuneration Committee, considering the skills, experience, knowledge they possess and the report of performance evaluation of these independent directors for the year 2018-19, the Board, at its meeting held on 29<sup>th</sup> August, 2019, recommended for the approval of the members, re-appointment of Mr. Pravin Khatau for a second term of five consecutive years with effect from 25<sup>th</sup> February 2020 up to 24<sup>th</sup> February 2025; and Mrs. Nirmala Parab for a second term of five consecutive years with effect from 30<sup>th</sup> March 2020 to 29<sup>th</sup> March 2025; in terms of Section 149 read with Schedule IV to the Act and the Listing Regulations including any amendment thereto or modification thereof.

In accordance with Section 149(10) and (11) of the Act, an independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board’s

report. The aforementioned directors fulfil the requirements of an independent director as laid down under Section 149(6) of the Act and Regulation 16 of the Listing Regulations.

In respect of the appointments of the aforesaid directors, notice in writing in the prescribed manner as required by Section 160 of the Act and rules made thereunder, has been received by the Company, regarding candidature of each of these directors for the office of the director.

The aforementioned directors have accorded their consent to act as directors and have also submitted the declaration of independence, stating that they meet the criteria of independence as provided in section 149(6) of the Act and regulation 16 of Listing Regulations and are not disqualified from being appointed as a director in terms of Section 164 of the Act.

The terms and conditions of appointment of independent directors shall be open for inspection at the registered office and at the corporate office of the Company by any member from Monday to Friday during 10.00 a.m. to 12.30 p.m., except holidays, and the same shall also be available on the Company’s website <http://www.transwarranty.com/Investorrelation.aspx?page=Polices>

The Board is of the opinion that these directors possess requisite skills, experience and knowledge relevant to the Company’s business.

Mr. Pravin Khatau and Mrs. Nirmala Parab are not debarred from holding the office of Director by virtue of any SEBI Order or any other such authority pursuant to circulars dated 20<sup>th</sup> June, 2018 issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by listed companies, and have given their consent in writing to act as Directors of the Company.

Pursuant to section 152 read with Schedule IV to the Act, in the opinion of the Board, the proposed re-appointments fulfil the conditions specified under the Act and the rules made thereunder and the applicable provisions of Listing Regulations and are independent of the Management.

None of the directors are related to each other.

None of the directors, other than the directors proposed to be re-appointed, (in their respective resolutions of re-appointment) key managerial personnel of the Company and their relatives are, directly or indirectly concerned or interested, financially or otherwise in these resolution, except to the extent of their respective shareholding, if any, in the Company.

The Board recommends passing of the special resolutions set out in items nos. 4 & 5 of this notice.

**Information about the appointees is given below:**

<b>Name of Director</b>	Mr. Pravin Khatau	Mrs. Nirmala Parab
<b>DIN</b>	02425468	07149007
<b>Date of Birth</b>	10/09/1960	09/12/1970
<b>Type of Appointment</b>	Re-appointment as Independent Director	Re-appointment as Independent Director
<b>Date of first appointment on the Board</b>	25/02/2015	30/03/2015
<b>Qualification</b>	MBA	B.Com., MBA
<b>Brief Resume</b>	Mr. Pravin Khatau, born on 10th September, 1960, is an MBA from Wharton and has worked in a senior capacity in Goldman Sachs & Co. and Barings in London. He has experience in Finance, Marketing and Administration. He has been associated with the Company since 2012.	Mrs. Nirmala Sachin Parab is B.Com., MBA. Her career started in IFCI (Industrial Finance Corporation of India). In IFCI she handled project finance for Textile Industry, Steel Industry, Energy Sector etc. She had the distinction of representing IFCI at various Ministerial level meetings and handling various difficult and challenging cases.
<b>No. of Shares held</b>	49,124 Equity Shares of ₹10 each	Nil
<b>Experience in Specific</b>	He was a Senior Director in Goldman Sachs & Co., and Barings in London.	He has over 10 years of experience in project financing with IFCI Ltd.
<b>Directorships held in other companies</b>	Nil	Nil
<b>Membership of Committees of listed public companies</b>	Nil	Nil
<b>Disclosure of relationships between directors inter-se</b>	None of the directors are related to each other	None of the directors are related to each other
<b>Details of sitting fees paid during FY 2018-19</b>	Rs.20,000	Rs.1,60,000
<b>Justification for appointment</b>	Excellent knowledge in Finance, Marketing and Administration	Excellent knowledge in Financial Market

**Item No. 6****Issuance of Non-Convertible Debentures on Private Placement Basis**

The Company, in the ordinary course of its business, is required to borrow from time to time, by way of loans, issue of debentures (secured or unsecured) or other debt instruments, on private placement basis or otherwise. The inter-mix of borrowings by the Company depends upon the market conditions, cost of funds, tenor and security available in case of loans to be disbursed to customers, etc. The Company may issue secured and/or unsecured redeemable Non-convertible Debentures including subordinated debt ("NCDs") of upto ₹50 crores (Rupees Fifty Crores only within the borrowing limits of the Company to banks/financial institutions/mutual funds/body corporate(s) and/or to other persons. The Company may offer or invite subscription for NCDs including subordinated debt, in one or more series and/ or tranches through private placement on preferential basis with authority to the Board of Directors

(the "Board") to determine the terms and conditions, including the issue price, interest rate, repayment, security, currency or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit.

As per section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, (the 'Companies PAS Rules') a company may make an offer or invitation to subscribe to the debentures through an issue of a private placement offer with a previous special resolution of its members approving offer(s) or invitation(s) to subscribe to the non-convertible debentures of the Company on private placement basis. In case of non-convertible debentures (NCDs) where the proposed amount to be raised through such offer or invitation exceeds the limit specified in 180(1)(c) of the Act, a company may pass a special resolution once a year for



all the offers or invitations to be made for such debentures during the year.

In terms of section 180(1)(c) of the Act, the shareholders had authorised the Board to borrow up to ₹100 crore. Pursuant to the said authority, the Board of Directors, at their meeting held on 29 August 2019, approved issue of NCDs for an aggregate amount not exceeding ₹50 crore. Considering the other borrowings, the Board has also proposed to increase the borrowing limit under section 180(1)(c) to ₹250 crores. The proposed issue of NCDs will be within the aforesaid Board approved borrowing limits as may be decided by the Board from time to time.

The shareholders, at an Annual General Meeting held on September 26, 2018 had accorded their approval to the Company for issuance of NCDs up to a limit of ₹50 crore. As on March 31, 2019 the Company had raised NCDs of ₹98 Lakhs and further ₹46 lakhs upto June 2019.

The NCDs would be issued at face value with different coupon rates for different tenures. The issue price and rate of interest depends, inter alia, on the market rates, tenor and security. The debentures will be issued on private placement basis in accordance with the provisions of the Act and applicable RBI guidelines

In case of secured NCDs, principal amount of the Secured NCDs issued/ to be issued together with interest due on the Secured NCDs, is secured by way of first ranking pari passu charge with the existing secured creditors on the movable assets, including book debts and receivables, cash and bank balances, loans and advances, both present and future of our Company equal to the value of one time of the Secured NCDs outstanding plus interest accrued thereon.

The purpose of NCDs issue is to augment long term resources for the purpose of onward lending, repayment/prepayment of principal and interest of existing borrowings and/or for general corporate purposes. The consent of the Members is being sought by way of a Special resolution.

Approval of the members is, therefore, sought under section 42 of the Act read with Rule 14 of the Companies PAS Rules, by way of a special resolution for making offer(s) or invitation(s) to eligible persons to subscribe to the non-convertible debentures of the Company on private placement basis for a period of one year commencing from 27 September, 2019.

The Board recommends passing of the special resolution as set out in item no. 6 of this notice.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially, or otherwise in the said resolution, except to the extent of NCDs

that may be subscribed by them/their relatives/ companies/ firms in which they are interested.

#### **Item No. 7:**

##### **Increase in the borrowing limit:**

As per the provisions of Section 180(1) (c) of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2017 and notified by the Ministry of Corporate Affairs on 9th February, 2018, the Board of Directors of the Company cannot borrow moneys, (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) in excess of the amount of the paid-up share capital, free reserves and securities premium reserve, without the approval of the Members, by way of a Special Resolution.

The Members by means of a Special Resolution passed in the 21<sup>st</sup> AGM of the Company on 11<sup>th</sup> September, 2015, had empowered the Board of Directors of the Company to borrow moneys upto ₹100 Crores even though such borrowing would be in excess of the paid-up share capital and free reserves of the Company.

In order to further expand its business of personal and consumer lending the company needs additional funds. It proposed to generate the funds through bank borrowings, issue of NCDs & through ECB. Hence, it is proposed to enhance the borrowing limits of the Company to ₹250 Crores.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 7 of the Notice except to the extent of their shareholding interest, if any, in the Company.

#### **Item No.8:**

##### **Raising of funds by way of External Commercial Borrowings:**

The Company has been raising funds through various modes in order to fulfil its working capital requirements. Recently RBI has relaxed end-use restrictions for the ECB, enabling the Companies to borrow for working capital, general corporate purpose & on-lending for the same, subject to certain conditions.

Pursuant to Section 42 of the Companies Act, 2013, read with the Rules made thereunder, the Company is required to obtain approval of its Members by way of a special resolution, before making any offer or invitation for issue of Foreign Currency/ Rupee Denominated Bonds on a private placement basis. The said approval shall be the basis for the Board to determine the terms and conditions of any issuance of Bonds by the



Company for a period of 1 (One) year from the date on which the Members have provided the approval by way of the special resolution.

In view of the above Board of Directors at its meeting held on August 29, 2019, has approved issue of Foreign Currency/ Rupee Denominated Bonds or other instruments, in one or more tranches, on private placement basis, up to Rupee equivalent USD 10 MN and within the overall borrowing limit of ₹250 crores (Rupees Two Hundred and Fifty crores Only), subject to the approval of the Members.

In this regard, the approval of the Members is sought for issue of Foreign Currency/ Rupee Denominated Bonds on a private placement basis, whether listed or not, rated or not in one or more tranches, for a period of 1 (one) year from the date of passing the Resolution, on such terms and conditions including the price, coupon, premium/ discount, tenor etc., as may be determined by the Board of Directors (or any other person authorised by the Board of Directors), at the prevailing market condition.

Accordingly, the Board recommends the resolution as set out at Item No. 7 of the accompanying Notice for the approval of the Members.

Save and except for the shares of the Company held by them, none of the Directors or Key Managerial Personnel of the Company or their relatives, are in any way concerned or interested, financially or otherwise, in the said resolution.

#### **Item No. 9:**

##### **Creation of charge on the assets of the Company**

The Company may be required to secure some of the borrowings by creating mortgage/charge on all or any of the movable or immovable properties of the Company in favour of the lender(s) in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s). In terms of Section 180(1)(a) of the Act any proposal to sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertaking(s), requires the approval of the Members by way of a Special Resolution.

Accordingly, the consent of the Members is being sought for the enhancement of the borrowing limits and to secure such borrowings by mortgage/charge on any of the movable and/ or immovable properties and/or the whole or any part of the undertaking(s) of the Company as set out in Resolution No.9 appended to this Notice.

The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 9 of the Notice except to the extent of their shareholding interest, if any, in the Company.

#### **Item no. 10, 11 & 12:**

##### **Approval of 'Employees Stock Option Plan 2019' for the Company and Subsidiary Companies**

It is recognized that appreciated that with a view to achieve sustainable corporate growth and to retain and motivate key talent in the organization, companies provide equity based compensation as a part of the overall compensation. The Company had earlier implemented an employee stock option plans namely ESOP 2008. With same underlying philosophy 'Employees Stock Option Plan 2019' is proposed by the Company. Through this plan, the Company intends to offer an opportunity of sharing the value created with those Employees who have contributed to the growth and development of the Company.

The main features of the Plan are as under:

#### **A. Brief Description of the Plans:**

ESOP 2019 contemplates grant of options to the eligible employees, whole-time/ executive directors of the Company and that of its subsidiaries. After vesting of options, the grantees shall earn a right (but not obligation) to exercise the vested options within the exercise period and obtain equity shares which the Company shall issue subject to receipt of exercise price and satisfaction of tax obligation arising thereon. The purpose of the Plan is to motivate talent in the organisation with the view to achieve long term business goals, to retain key talent in the organisation and to foster ownership and financial motivation.

The Nomination, Remuneration and Compensation Committee ("NRCC") of Directors shall act as Compensation Committee for the supervision and administration of the Plan as per Regulation 5 of the SEBI SBEB Regulations. All questions of interpretation of the Plan shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Plan.

#### **B. Total number of Options to be granted:**

Total number of Stock Options which upon exercise shall not exceed 25,00,000 equity shares of Rs 10/- each of the Company. The SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division etc., a fair and reasonable



adjustment needs to be made to the options granted. In this regard, the Committee shall adopt a fair reasonable adjustment to the quantum of options along with exercise price thereof as per principles of SEBI SBEB Regulations to ensure the restoration of value of such options after any such corporate action. Accordingly, the aforesaid ceiling of number of options shall stand adjusted.

As per SEBI SBES Regulation 6 (3) (d) approval of shareholders by way of separate resolution is required in case, grant of options, to identified employees, during one year, equal to or exceed one percent of the issued capital excluding outstanding warrants and conversions) of the Company at the time of grant of options. Hence shareholders' approval by way of separate resolution under item no. 12 is being sought.

**C. Identification of classes of employees entitled to participate in the Plan:**

The present as well as future employees and whole-time and executive Director(s) of the Company including that of its present and future subsidiary(ies) shall be entitled to participate in the Plan as determined by the Committee.

Provided however that the following persons shall not be eligible to participate in the Plan:

- (i) an employee who is a Promoter or belongs to the Promoter Group of the Company / its subsidiary(ies);
- (ii) a director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company / its subsidiary(ies), and
- (iii) a director being an Independent Director in the Company or its Subsidiary(ies).

The ESOP 2019 plan is also applicable to identified employees of the subsidiaries of the Company. As per SEBI SBES Regulation 6 (3) (c) approval of shareholders by way of separate resolution is required in case, grant of options or other benefits are provided to employees of subsidiary or holding company. Hence shareholders' approval by way of separate resolution under item no. 11 is being sought.

**D. Requirements of vesting and period of vesting:**

All the options granted on any date shall vest not earlier than minimum of 1 (One) year and not later than a maximum of 5 (Five) years from the date of grant of options. The Committee shall determine the specific vesting percentage and schedule which may be different for different employees or class thereof at the time of grant.

Provided specifically that the Company may at its discretion introduce claw back provisions, vary the vesting percentage and schedule, not exceeding of five years of vesting period from the grant date, in case of non-achievement of predefined performance conditions, behavioral issues or other criteria in case of a grantee.

Options shall vest essentially based on continuation of employment as per requirement of SEBI SBEB Regulations. Apart from that the Committee may prescribe achievement of any performance condition(s) for vesting.

**E. Maximum period within which the Options shall be vested:**

All the options granted on any date shall vest not later than a maximum of 5 (Five) years from the date of grant of options as stated above.

**F. Exercise price pricing formula:**

Exercise Price shall be determined by Board or a Committee thereof from time to time based on the Market Price per Share as on date of grant of options. Exercise price will be market price on the date of the grant or face value of shares, whichever is higher.

**G. Exercise period and the process of exercise of options:**

The exercise period in respect of options granted under ESOP 2019, would commence from the date of vesting and will expire on completion of maximum of 5 (Five) years from the date of respective vesting or such other shorter period as may be decided by the Committee from time to time.

The vested options shall be exercisable by the grantees by a written application to the Company expressing his/her desire to exercise such options in such manner and on such format as may be prescribed by the Committee from time to time. Exercise of options shall be entertained only after payment of requisite exercise price and satisfaction of applicable taxes by the grantee. The options shall lapse if not exercised within the specified exercise period.

**H. Appraisal process for determining the eligibility of employees under the Plan:**

Before granting the options under ESOP 2019, the Company would inter alia take into consideration criticality of the role, grade and designation of the employee, length of service, conduct, past performance record, merit and future potential of the employee and/or such other criteria that may be determined by the Company/ Committee.

**I. Maximum number of options to be issued per employee and in aggregate:**

During any one year, the maximum number of options (taken together) that may be granted per employee shall vary depending upon the designation and the appraisal / assessment process, however, shall be less than 1% (One Percentage) of the issued and paid-up capital (excluding outstanding warrants and conversions) of the Company at the time grant. Subject to this ceiling, the Company / Committee will decide the number of options to be granted and the maximum number of options that can be granted to each employee.

**J. Maximum quantum of benefits to be provided per employee under the Plan:**

Apart from grant of options as stated above, no monetary benefits are contemplated under the Plan.

**K. Whether the Plan is to be implemented and administered directly or through a trust:**

The Plan shall be implemented and administered directly by the Company.

**L. Whether the Plan involves new issue of shares or secondary acquisition or both:**

The Plan contemplate issue of fresh/ primary shares by the Company only, upon exercise of options.

**M. Amount of loan to be provided for implementation of the Plan by the Company to the trust, its tenure, utilization, repayment terms, etc.:**

Not applicable

**N. Maximum percentage of secondary acquisition:** This is not relevant under the present Plan.**O. Accounting and Disclosure Policies**

The Company shall follow the Guidance Note on accounting for employee share based payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein. In case, the existing Guidance Note or Accounting Standards do not prescribe accounting treatment or disclosure requirements, any other Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in due compliance with the requirements of Regulation 15 of SEBI SBEB Regulations.

**P. Method of Option valuation:**

The Company shall adopt 'intrinsic value method' for valuation of options as prescribed under Guidance Note or under any Accounting Standard, as applicable, notified by appropriate authorities from time to time. In case, Indian Accounting Standards require fair value method for valuation of options, the method as prescribed from time to time shall be duly adopted in due compliance thereof.

**Q. Declaration:**

In case, the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

Accordingly, the approval of members is being hereby sought by way of Special Resolutions as set out in item No. 10, 11 and 12 of this Notice.

A draft copy of the Plan is available for inspection at the Company's Registered Office during official hours on all working days till the date of AGM.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolutions, except to the extent they may be lawfully granted options under the Plan.

**Item No. 13****Approval for material Related Party Transactions**

Your Company is a Non-Banking financial company and also is engaged in business of lending. In addition thereto, the Company also provides security(ies) and corporate guarantee(s) to secure the borrowings and other facilities being availed by subsidiary(ies). In certain cases, such subsidiaries have also extended security of their movable assets to secure the borrowings/ financial assistance availed by the Company. Further, the Company also enters into other transactions with its related parties.

As per Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a transaction with a related party is considered material, if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company. Pursuant to the said Regulation, all material related party transactions require approval of the



members through an ordinary resolution and all related parties shall abstain from voting on such resolutions. However, the said requirement for approval of the shareholders is not applicable for transactions entered into between a holding company and its wholly-owned subsidiary whose accounts are consolidated with the holding company.

The Company holds nearly 53.04% shares in Vertex Securities Limited. Further, accounts of this company is also consolidated with the company and placed before the shareholders for approval.

Going forward and in the ordinary course of business, the Company may enter into new transactions inter alia in relation to lending/ borrowing, providing and receiving corporate guarantee(s) and security(ies) for existing/ new credit facility(ies), with Vertex Securities Ltd., subsidiary and related party of the Company, which may exceed the threshold for material related party transactions by an amount not exceeding an aggregate value of ₹50 crore, individually and/ or collectively.

Since some of the above transactions are not fixed for any particular term, it is not possible for the Company to ascribe an explicit monetary value to such transactions. However, approval of the Audit Committee and/ or Board, wherever required, shall be obtained in terms of the provisions of the Companies Act, 2013 and Listing Regulations.

The approval of the shareholders is being sought by way of an ordinary resolution for the proposed material related party transactions. Approval of the shareholders is also sought to ratify/approve all existing contracts / arrangements /

agreements entered into by the Company with the Directors/ Companies in which some of the Directors and their relatives are interested, and hence related parties within the meaning of the aforesaid law.

The contracts/ arrangements/ transactions with the above entities are necessary in the ordinary course and have a significant role in the Company's operations. Therefore, the Board of Directors commends the resolution as set-out at item no. 13 for approval of the shareholders as an Ordinary Resolution.

The Directors, Key Managerial Personnel or their respective relatives may be deemed to be concerned or interested, financially or otherwise, in this resolution.

By Order of the Board of Directors,  
For **Transwarranty Finance Limited**

**Sreedhar H.**  
Company Secretary

Regd Office:  
403, Regent Chambers,  
Nariman Point, Mumbai 400021

Place: Mumbai  
Date : 29 August, 2019