

INFRASTRUCTURE LEASING & FINANCIAL SERVICES LIMITED

Registered Office: The IL&FS Financial Centre, Plot C-22, G-Block,

Bandra–Kurla Complex, Bandra East, Mumbai 400 051

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Website: www.ilfsindia.com

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

Dear Members,

Notice is hereby given to the members of the Infrastructure Leasing and Financial Services Limited (the “Company”) (hereafter covered as “Members”), pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020 and 10/2021 dated June 23, 2021 issued by the Ministry of Corporate Affairs (hereinafter collectively referred to as “MCA circulars”) and other applicable laws, rules and regulations, that approval of the Members through Postal Ballot (voting through electronic means only i.e. e-voting) is being sought in respect of the resolution set out hereinafter. A statement pursuant to Section 102 of the Companies Act, 2013 read with the rules framed thereunder pertaining to the said resolutions, setting out material facts and the reasons thereof is appended hereto for your consideration.

SPECIAL BUSINESS :

To consider, and if thought fit to pass the following resolution as an Ordinary Resolution for the appointment of M/s. CNK & Associates LLP, Chartered Accountants, as Statutory Auditors of the Company and fix their remuneration.

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including Housing Finance Companies) dated April 27, 2021 issued by the Reserve Bank of India (“RBI”) and Frequently Asked Questions dated June 11, 2021 (“RBI Guidelines”), including any amendment, modification, variation or re-enactment thereof, on the basis of recommendation of the Audit Committee and the Board of

Directors of the Company, M/s. CNK & Associates LLP, Chartered Accountants, (Firm Registration No. 101961W/W-100036) be and are hereby appointed as Statutory Auditor of the Company for a period of 3 (three) consecutive years to hold office with effect from October 09, 2021 until the conclusion of the thirty-sixth Annual General Meeting, subject to their continuity of fulfilment of the applicable eligibility norms, at a remuneration of Rs. 42,50,000 (Rupees Forty Two Lakh and Fifty Thousand only) plus applicable taxes and reimbursement of out of pocket expenses as may be incurred in connection with the audit of the accounts of the Company for the financial year 2020-21.

RESOLVED FURTHER THAT any of the Directors or Key Managerial Personnel of the Company be and are hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the foregoing resolution. “

By Order of the Board of Directors,
For Infrastructure Leasing & Financial Services Limited

Shekhar Prabhudesai
Company Secretary

Registered Office:

The IL&FS Financial Centre
Plot No C-22, G Block, Bandra-Kurla Complex
Bandra (East), Mumbai 400 051

Date : December 06, 2021

Place : Mumbai

Notes:

- 1) A statement for the proposed resolution pursuant to Section 102 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out material facts, is annexed hereto and forms part of this Notice.
- 2) In terms of Section 47 of the Companies Act, 2013, where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the resolutions placed before the company. Accordingly, the Postal Ballot Notice is also being sent to the members holding preference shares of the Company.
- 3) In view of the ongoing COVID-19 pandemic and the extant provisions of MCA circulars, the Company would be sending this Postal Ballot Notice only through e-mail to all the Members, whose names appear in the Register of Members as received from the Depositories as on Friday, December 03, 2021 (the cut-off date) who have registered their e-mail addresses with the Company/ Depository Participant (DP). The hard copy of this Notice along with postal ballot forms and pre-paid business envelope will not be sent to the Members. Accordingly, the communication of the assent or dissent of the Members would take place through e-voting only.
- 4) In accordance with the MCA Circulars, the Company has made necessary arrangements for the members to register their e-mail address. Members who have not registered their e-mail address are requested to register the same by following the procedure given in point 9 of the notice.
- 5) This Postal Ballot Notice will also be available on the Company's website at www.ilfsindia.com, website of BSE Limited at www.bseindia.com and on website of National Securities Depository Limited (NSDL) at www.evoting.nsdl.com.
- 6) The voting rights of the Members shall be in proportion to their share in the paid-up share capital of the Company as on the cut-off date i.e. Friday, December 03, 2021
- 7) The Board of Directors have appointed Ms. Ashwini Inamdar, Partner, Mehta & Mehta, Company Secretaries or failing her Mr. Atul Mehta, Partner, Mehta & Mehta, Company Secretaries as Scrutinizer for conducting the Postal Ballot, through the e-voting process, in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

8) Procedure for e-voting:

- i. In compliance with the Sections 108 and 110 of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, MCA circulars and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, the Company is providing the e-voting facility to all its Members to enable them to cast their votes on the resolutions listed in this Notice. The e-voting facility is provided by National Securities Depository Limited (NSDL). SEBI vide circular SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated December 9, 2020, has enabled e-voting for all the individual demat account holders by way of a single login credential through their demat accounts and/or website of the depositories/DP, in an attempt to increase the participation of the members as also to improve the efficacy of the voting process.
- ii. The e-voting facility will be available during the following period:
 - Commencement of e-voting: 9:00 a.m. (IST) on Tuesday, December 07, 2021
 - End of e-voting: 5:00 p.m. (IST) on Wednesday, January 05, 2022

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by NSDL upon expiry of the aforesaid period.

- iii. The manner of voting by (i) individual members holding shares of the Company in demat mode, (ii) Members other than individuals holding shares of the Company in demat mode, (iii) Members holding shares of the Company in physical mode, and (iv) Members who have not registered their e-mail address, is explained in the instructions given hereinbelow.

9) Instructions for e-voting:

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





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 shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> <li data-bbox="587 394 1385 931">1. 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. <li data-bbox="587 969 1385 1126">2. 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 <li data-bbox="587 1164 1385 1783">3. 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 launched, click on the icon “Login” which is available under ‘Shareholder/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. <li data-bbox="587 1821 1385 1939">4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

	<p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. 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. 2. 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. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. 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 Shareholders (holding securities in demat mode) login through their depository participants</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 Forget User ID and Forget Password option available at abovementioned website.

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
Individual members holding securities in demat mode with NSDL	Members facing any technical issue in login can 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
Individual members holding securities in demat mode with CDSL	Members facing any technical issue in login can 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 ‘Shareholder/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.	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 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 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, 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 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.

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.

General Guidelines for members

1. 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 ashwini.i@mehta-mehta.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.nsdl.com to reset the password.
3. 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 Ms. Pallavi Mhatre, Manager at evoting@nsdl.co.in

10) Process for those members whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- i. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to secretarialbkc@iflindia.com.
- ii. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 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 secretarialbkc@iflindia.com. If you are an Individual members holding securities in demat mode, you 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.**
- iii. 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.
- iv. 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Annexure to the Notice

Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts

M/s SRBC and Co. LLP, Chartered Accountants, were appointed as statutory auditors of the Company by the Members at the Annual General Meeting held on September 26, 2017 for a period of 5 years (i.e. from FY 2018 to FY 2022).

The Reserve Bank of India (RBI) on April 27, 2021 had issued Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including Housing Finance Companies) (RBI Guidelines). Pursuant to the RBI Guidelines, in order to protect the independence of the auditors/ audit firms, the tenure for appointment of said auditors/audit firms is required to be 3 (three) years. Subsequently, the RBI had also released Frequently Asked Questions (FAQs) dated June 11, 2021, *inter alia* clarifying that the existing statutory auditors who have completed 3 years with an entity would not be able to continue as auditors with effect from second half of the financial year 2021-22, even though they may not have completed their present tenure.

Consequently, in terms of the RBI Guidelines and related FAQs, M/s SRBC and Co. LLP would be ineligible to continue as auditors of the Company for the financial year 2021-22 beyond September 30, 2021 having completed audits for three years. M/s SRBC & Co LLP have *vide* their letter dated September 28, 2021 tendered their resignation citing the aforementioned grounds. In the said letter M/s SRBC & Co LLP have further highlighted that the preparation of financial statements for the year ended March 31, 2021 is dependent on the completion of the restatements of accounts as directed by the NCLT which is expected only after September 30, 2021, i.e. beyond the timelines prescribed in the RBI Guidelines for the appointment of new auditors. Further, the financial statements for the year ended March 31 2020 could also not be approved by the shareholders, pending such restatement. In view of the same, they have been unable to commence the audit for the year ended March 31, 2021 and are therefore unable to complete the same before September 30, 2021, i.e. the date from which their ineligibility to conduct the audit in terms of the RBI Guidelines, gets triggered. Therefore in line with the RBI Guidelines, they have tendered their resignation as statutory auditors of the Company with effect from September 28, 2021 to facilitate appointment of new auditors by the shareholders of the Company.

As members are aware, in view of the affidavit filed by Ministry of Corporate Affairs (MCA) on December 04, 2020 with the Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT), preparation of financial statements for the year ended March 31, 2021 is dependent on the completion of the restatements of accounts as directed by the NCLT. Details of said affidavit were filed with the exchange on February 25, 2021. In view of the pending restatements, M/s SRBC and Co. LLP, were not able to commence audit for FY 2020-21. Accordingly the incoming statutory auditors will be required to commence undertaking the audit of the Company for FY 2020-21 as well.

The Audit Committee and the Board of the Company have taken note of the said resignation and also the fact that there were no reasons specified by them for the resignation apart from the eligibility requirements prescribed under the RBI Guidelines. In

view of the RBI Guidelines, the Company is required to appoint one audit firm to act as the Statutory Auditor of the Company for conducting the audit for a period of 3 (three) consecutive years.

In accordance with the requirement of the aforesaid RBI Guidelines, the Audit Committee and the Board have recommended the appointment of M/s. CNK & Associates LLP, Chartered Accountants (Firm Registration No. 101961W/W-100036), to act as the Statutory Auditors of the Company for a period of 3 (three) consecutive years and to hold office with effect from FY 2020-21, subject to continuing to fulfill the applicable eligibility norms.

M/s. CNK & Associates LLP, Chartered Accountants (Firm Registration No. 101961W/W-100036) have *vide* their letter dated September 29, 2021 have consented to act as Statutory Auditors for FY 2020-21, the Board has appointed M/s. CNK & Associates LLP as Statutory auditors of the Company for a period of 3 years in accordance with the RBI Guidelines. M/s. CNK & Associates LLP is a multi-disciplinary chartered accountancy firm providing a wide spectrum of professional services under one roof across diverse industries. Established in 1936, assembled from diverse backgrounds, 27 partners (Including 5 in Associates Firms) comprising over 450 personnel and specializing in their respective service lines, has worked alongside companies of all sizes. Headquartered in Mumbai, India, with branches at Vadodara, Chennai and Bengaluru and associate firms at Ahmedabad & Delhi, M/s. CNK & Associates LLP have wide experience in providing statutory Audit, Internal Audit and other services to Banking, Financial Services & Insurance Sector (BFSI) .

The fees proposed to be paid to M/s. CNK & Associates LLP towards statutory audit, for the financial year 2020-21 shall be Rs. 42,50,000 (Rupees Forty-two Lakh and Fifty Thousand only). The said fees shall exclude certification fees, applicable taxes and reimbursements at actuals.

The Board, accordingly, recommends the appointment of M/s. CNK & Associates LLP, Chartered Accountants as Statutory Auditors of the Company including payment of audit fees to them for the financial year 2020-21 as set out at Resolution in this Notice, for the approval of the Members.

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.