SK FINANCE
Saath Aapke... Hamesha

NOTICE

NOTICE is hereby given that the 24th Annual General Meeting ("AGM") of the members of Ess Kay Fincorp Limited (Erstwhile Ess Kay Auto Finance Private Limited) will be held on Tuesday 11th September, 2018 at 12.30 P.M. at 202 Second Floor, Adarsh Plaza, Khasa Kothi Circle, Jaipur-302001 (Rajasthan) to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 01 - TO CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018 TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON

ITEM NO. 02 - TO APPOINT A DIRECTOR IN PLACE OF MRS. SHALINI SETIA [HAVING DIN: 02817624], WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HERSELF FOR RE-APPOINTMENT

ITEM NO. 03-TO APPOINT M/S B S R & CO. LLP [FIRM REGISTRATION NUMBER: 101248W/W-100022] AS STATUTORY AUDITORS OF THE COMPANY

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

"**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) M/s. B S R & Co. LLP, Chartered Accountants, (ICAI Firm Registration No. 101248W/W-100022) be and are hereby appointed as the Statutory Auditors of the Company in place of M/s. S.S Kothari Mehta & Co., Chartered Accountants (ICAI Firm Registration No. 000756N), to hold office from the conclusion of this AGM till the conclusion of 29th AGM to be held in the calendar year 2023, and the Board of Directors be and are hereby authorized to fix such remuneration as may be recommended by the Audit Committee in consultation with the Auditors plus applicable taxes and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.

RESOLVED FURTHER THAT the Board of Directors of the Company and or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

ESS KAY FINCORP LIMITED
(Formerly Known as ESS KAY AUTO FINANCE PVT. LTD.)
Regd. Office : G 1-2, New Market, Khasa Kothi, Jaipur-302001
Ph.: +91-141-4161300-500 I Toll Free Number: 1800 1039 039
E-mail : info@skfin.in I Website : www.skfin.in
CIN : U65923RJ1994PLC009051 I GSTIN : 08AAACE5115F1Z2

SPECIAL BUSINESS:

ITEM NO. 04: TO APPOINT MR. ANAND RAGHAVAN AS AN INDEPENDENT DIRECTOR

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

"**RESOLVED THAT** pursuant to Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to Articles Of Association of the company Mr. Anand Raghavan (DIN-00243485) who was appointed as an Additional Director of the Company w.e.f. 07thApril, 2018 and who holds office up to the date of ensuing Annual General Meeting of the Company and in respect of whom a notice has been received from a member in writing proposing his candidature for the office of Director of the company, under section 160 of the Companies Act, 2013, be and is hereby appointed as the Independent Director of the Company for a period of 5 years commencing from 07thApril, 2018 till 06thApril, 2023.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto including delegating its powers under the resolution to give effect to this resolution and for matters connected therewith or incidental thereto."

ITEM NO 05: SUB-DIVISION OF EACH EQUITY SHARE OF INR 100/- INTO 50 EQUITY SHARES OF INR 2/- EACH

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

"**RESOLVED THAT** pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the Articles of Association of the Company and pursuant to guidelines issued by the Reserve Bank of India and pursuant to Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and subject to the approvals, consents, permissions and sanctions, if any, required from any authority and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter called "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 and with the power to delegate such authority to any person or persons), consent of the Members be and is hereby accorded to divide each Equity Share of the Company having Face value of INR 100 /- (Indian Rupees Hundred only) each into 50 (Fifty) Equity Shares of Face value of INR 2 /- (Indian Rupee Two only) each and consequently, the Authorized Share Capital of the Company of INR 5,75,00,000/- (Indian Rupees Five Crore Seventy Five Lakhs Only) would comprise of 2,87,50,000/- (Two Crore Eighty Seven Lakhs Fifty Thousand) Equity Shares of INR 2/ - (Rupee Two only) each with effect from the date to be determined by the Board for this purpose.

RESOLVED FURTHER THAT on sub-division, the 50 (Fifty) Equity Shares of the Face value of INR 2/- (Indian Rupee Two only) each be issued in lieu of one Equity Share of INR 100 /- (Indian Rupees Hundred only) each, subject to the terms of Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with and carry the same rights as the existing fully paid Equity Shares of INR 100 /- (Indian Rupees Hundred only) each of the Company and shall be entitled to dividend(s) to be declared after the sub-division of equity shares.

RESOLVED FURTHER THAT consequently Clause V of the Memorandum of Association of the Company relating to Share Capital be and is hereby altered by deleting the same and substituting in place thereof, the following new clause V:

"The authorized share capital of the company is Rs.5,75,00,000/- (Rupees Five Crore Seventy Five Lakhs) divided into 2,87,50,000/- (Indian Five Two Crore Seventy Five Eighty Seven Lakhs Fifty Thousand) equity shares of Rs 2/- (Indian Rupee Two) each."

RESOLVED FURTHER THAT upon sub-division of equity shares as aforesaid, the existing share certificate(s) in relation to the existing equity shares of the nominal value of 100/- (Rupees Hundred only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect and Company may without requiring the surrender of existing share certificate(s) directly issue and dispatch the new share certificate(s) of the company, in lieu thereof, and in the case of members who hold the equity shares in dematerialised form, the subdivided equity shares of nominal value of 2/- (Rupee Two only) each shall be credited to the respective beneficiary account of the members with their respective depository participants and the Company shall undertake such corporate actions as may be necessary in relation to the existing equity shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to fix a Record Date and to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, proper and expedient or incidental for the purpose of giving effect to this resolution."

ITEM NO. 06:-APPROVAL FOR ESSKAY EMPLOYEE STOCK OPTION PLAN 2018 AND GRANT OF EMPLOYEE STOCK OPTIONS TO THE EMPLOYEES OF THE COMPANY THEREUNDER

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

"**RESOLVEDTHAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 12 of The Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof for the time being in force) the provisions of Articles of Association of the Company, and subject to such 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, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall include the Nomination and Remuneration Committee or any other Committee of the Company constituted by the Board to exercise its powers in relation hereto, including the powers conferred by this Resolution and/or such other persons who may be authorized by the Board or the Nomination and Remuneration Committee in this regard), consent of the Shareholders of the Company (**"Shareholders"**) be and is hereby accorded respectively to the "Esskay Employees Stock Option Plan 2018 (hereinafter inferred to as the **"ESOP 2018"/ "Plan"**) and to the Board to create, offer and grant from time to time upto 5 years **(Five Years)** Employee Stock Options (**"ESOPs"**) to the permanent employees including Directors of the company (other than promoter(s) or Directors belonging to the promoter group of the company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), whether whole time or otherwise, whether working in India or out of India (hereinafter referred to as an **"Employee(s)"**), as may be decided solely by the Board under the Plan, exercisable into not more than 5,66,000 (Five Lakhs Sixty Six Thousand Only) fully paid-up equity shares of the Company in aggregate of face value of Rs. 02/- (Rupees Two Only) each, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Plan and in due compliance with all applicable laws and regulations.

RESOLVED FURTHER THAT all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot equity shares upon exercise of ESOPs from time to time in accordance with the Plan and such equity shares shall rank *pari passu* in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the number of ESOPs that may be granted to the Employee(s), in any financial year and in aggregate under the Plan shall be less than 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and/or sale of division/undertaking or other re-organisation, and others, if any additional equity shares are required to be issued by the Company to the Shareholders **("Additional Shares")**, the ceiling as aforesaid of 5,66,000 (Five Lakhs Sixty Six Thousand Only) ESOP's and equity shares respectively to be issued and allotted shall be deemed to increase in proportion of such Additional Shares issued to facilitate making a fair and reasonable adjustment.

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 augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 02/- (Rupees Two Only) per equity share bears 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 option grantees.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under any applicable laws and regulations to the extent relevant and applicable to the ESOP 2018.

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RESOLVED FURTHER THAT the Board be and is hereby further authorized to do all such acts, deeds and things, as it may in its absolute discretion, deem necessary including authorizing or directing to appoint Consultants, being incidental to the effective implementation and administration of ESOP 2018 as also to prefer applications to the appropriate authorities, parties and the institutions for their requisite approvals, if required.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board is authorised to do for the purpose of giving effect to this resolution.

Place: Jaipur
Date: 20th August, 2018

By Order of the Board of Directors
For Ess Kay Fincorp Limited
(Erstwhile Ess Kay Auto Finance Private Limited)

Anagha Bangur
Company Secretary
Membership No. 31267

Registered Office:
G 1-2, NEW MARKET
KHASA KOTHI, JAIPUR -302001
CIN: U65923RJ1994PLC009051

NOTES:

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the special business is annexed hereto.

2. **A member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the company. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% (Ten Percent) of the total share capital of the Company carrying voting rights. A member holding more than 10% (Ten Percent) of the total share capital of the Company carrying voting rights may appoint a single person as proxy provided that such person shall not act as a proxy for any other person or shareholder.**

3. **Proxy forms in order to be effective should be duly stamped, filled, signed and should be deposited at the registered office of the Company not less than 48 hours before commencement of the meeting.**

4. In case the shareholders' have any query relating to the Resolution or about the operations of the Company, you are requested to send the same to the Company Secretary at the Registered Office of the Company at least 7 days before the date of AGM so that the information can be made available at the meeting.

5. Members/proxies/ authorised representatives attending the meeting should bring the duly filled attendance slip for attending the AGM.

6. During the period beginning 24 hours before the time fixed for commencement of the AGM and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

7. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding and Register of Contracts or Arrangements in which Director are interested, maintained under Section 170 and 189 of the Companies Act, 2013 respectively will be available for inspection by the members at AGM.

8. In terms of Articles of Association of the Company, read with Section 152 (6) of the Act, Mrs. Shalini Setia (DIN: 02817624) Whole-Time-Director of the Company, retires by rotation at the ensuing AGM and being eligible, offers herself for re-appointment. The Nomination and Remuneration Committee and Board of Directors of the Company recommend her re-appointment.
9. The relevant details as required under Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, ("Secretarial Standards") of the person seeking re appointment as Director liable to retire by rotation under Item No. 02 of the Notice, is also annexed.

10. Members are requested to:

a) Notify the change in address if any, with Pin Code numbers immediately to the Company or its Registrar and Share Transfer Agent ('RTA').

b) Quote their Regd. Folio Number/DP and Client ID Nos. in all their correspondence with the Company or its RTA.

11. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.

12. Corporate Members intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the AGM.

13. All the documents referred to in the Notice and explanatory statements are open for inspection by members at the Registered Office of the Company on all working days between 10:00 A.M. to 05:00 P.M. upto the date of AGM.

14. 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 their 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 the Company / RTA.

15. The Members may contact their respective depository participants for making nominations as permitted under Section 72 of the Companies Act, 2013.

16. Members are requested to address all their correspondence including demat/remat applications, request for share transfers, intimation of change of address and other correspondence to the Company's RTA:-

Registrar & Securities Transfer Agent:

Bigshare Services Private Limited
E-2/3, Ansa Industrial Estate Saki Vihar Road
Saki Naka Andheri (East) Mumbai 400 072
Mail ID:-babu@bigshareonline.com
Contact: 022 4043 0289

17. The Annual Report and Notice of AGM will be displayed on the website of the Company at http://www.skfin.in/index.php and the other requirements as applicable will be duly complied with.

18. The Members who have not registered their email address so far, are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically. For any communication, the shareholders may also send requests to the Company Secretary at [anagha.bangur@skfin.in]. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.

19. The route map showing the direction to reach the venue of AGM is attached at the end of the Report.

Place: Jaipur
Date: 20th August, 2018

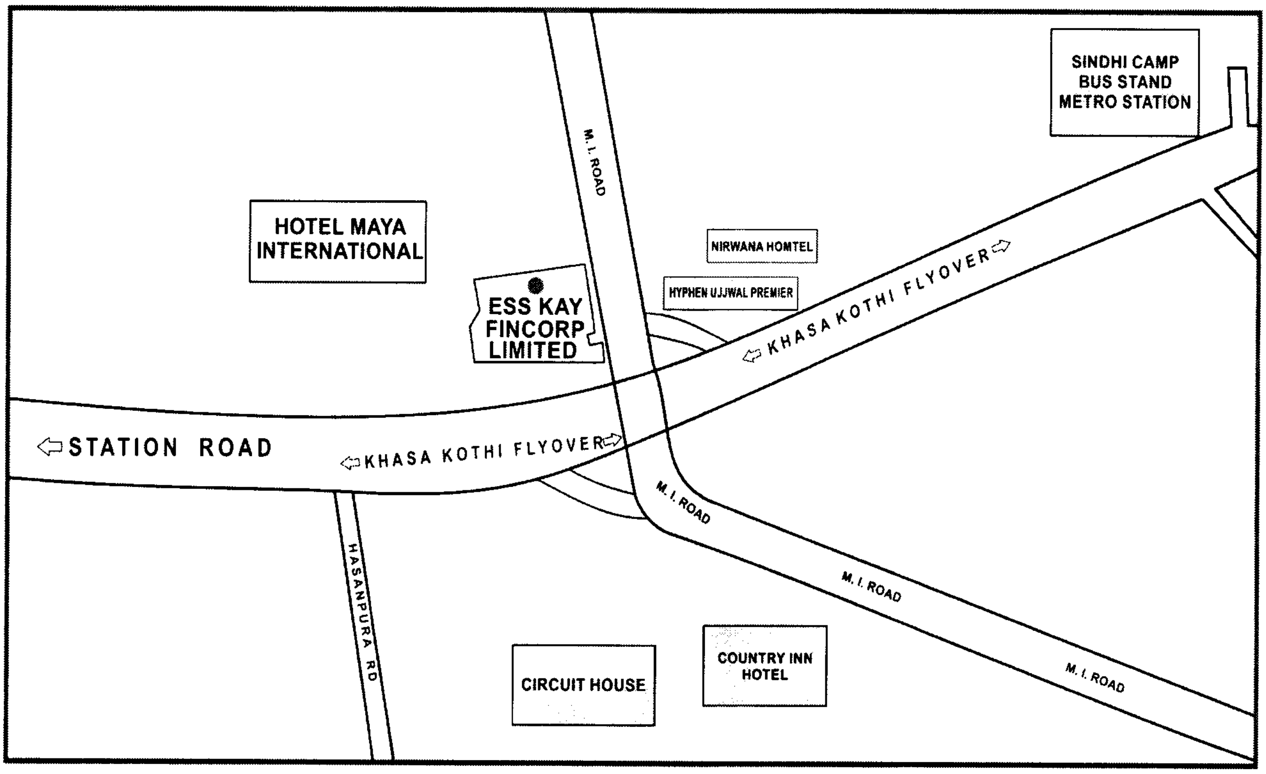
By Order of the Board of Directors
For Ess Kay Fincorp Limited
(Erstwhile Ess Kay Auto Finance Private Limited)

For ESS KAY FINCORP LIMITED
Company Secretary

Anagha Bangur
Company Secretary
Membership No. 31267

ROUTE MAP TO THE VENUE OF ANNUAL GENERAL MEETING

Route map for the venue of the General Meeting



ESS KAY FINCORP LTD.

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THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) AND (2) OF THE COMPANIES ACT, 2013

The Following Statements sets out all material facts relating to the Special Business mentioned in the Accompanying Notice:

ITEM NO. 02

Pursuant to the provisions of Section 196, 197 read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) Mrs. Shalini Setia, Whole-Time Director of the Company is liable to retire by rotation at the ensuing AGM and being eligible offers himself for reappointment.

Subject to the approval of the members in the annual general meeting, the Board of Directors recommends re-appointment of Mrs. Shalini Setia, as director liable to retire by rotation.

ITEM NO. 04

Your Directors has appointed Mr. Anand Raghavan as Additional Director in the category of 'Non-Executive Independent Director of the Company by resolution through circulation on April 07, 2018 with recommendation of Nomination & Remuneration Committee.

Under Section 161 of the Companies Act, 2013, read with of the Articles of Association of the Company, he continues to hold office as an Additional Non-Executive Director of the Company, until the conclusion of the ensuing Annual General Meeting.

Now they have recommended to appoint of Mr Anand Raghavan as Independent Director of the Company on the terms and condition as set out beneath, for a period of Five years, commencing from 07th April, 2018 till 06th April, 2023.

The brief profile of Mr. Anand Raghvan in terms of the Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India have been provided as Annexure 1 to this Notice.

Your Directors therefore, recommend the passing of the Ordinary resolution proposed at Item No.04 of this Notice.

Save and except Mr. Anand Raghavan, none of the other Directors and Key Managerial Personnel of the Company or their relatives are directly or indirectly concerned or interested, financially or otherwise, in the resolution set out at Item No.04.

ITEM NO. 05

Members are requested to note that towards undertaking the business activities of the Company from time to time, it will be appropriate to infuse further Tire-I funds in the Company from such prospective investors who would provide strategic inputs for the operations of the Company. As the members are aware, the equity shares of your company are kept in dematerialized form. With a view to encouraging the participation of the foreign as well as domestic investors in the Company, It is recommended to split the value of Equity Shares.

Board of Directors in its meeting held on 01st August, 2018 recommended sub-division of the Equity Shares having Face value of INR 100 /- (Indian Rupees Hundred only) into 50 Equity Shares of Face value of INR 2 /- (Indian Two only).

The aforesaid sub-division of equity shares would require amendment to existing Capital Clause V of the Memorandum of Association. After approval of the resolutions set out at Item Nos. 05 and 06, the Board of Directors or Committee thereof will fixed the record date for the purpose of ascertaining the list of members whose shares shall be sub-divided, as proposed above and the same shall be notified to the members through appropriate medium.

Pursuant to the provisions of Section 13, and Section 61 of the Companies Act, 2013 approval of the members is required for sub-division of shares and consequent amendment to Clause V of the Memorandum of Association.

The Board recommends the Resolutions at Item No. 05 of this Notice, for approval of the Members.

A copy of the Memorandum of Association along with proposed amendments will be open for inspection by the Members at the Registered Office of the Company during business hours on all working days upto the date of this meeting.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolutions, except to the extent of equity shares held by them in the Company.

ITEM NO. 06

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Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share based compensation scheme/ plan. Your Company believes in rewarding its employees including Directors of the Company for their continuous hard work, dedication and support, which has led the Company on the growth path. The Company intends to implement Esskay Employees Stock Option Plan 2018 ("ESOP 2018"/ "Plan") with a view to attract and retain key talents working with the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

The Company seeks approval of the Shareholders in respect of ESOP 2018 and for grant of Stock Options to the eligible employees Directors of the Company, that of its Subsidiary Company/(ies) as may be decided by the Board from time to time in due compliance with Companies, Act, 2013 and other applicable laws and regulations.

The main features of the ESOP 2018 are as under:

1. **Total number of Options to be granted:**

5,66,000 (Five Lakhs Sixty Six Thousand Only) Options would be available for grant to the eligible employees of the Company aggregate under ESOP 2018, in one or more tranches exercisable into not exceeding 5,66,000 (Five Lakhs Sixty Six Thousand Only) equity shares in aggregate in the Company of face value of Rs 02/- each fully paid-up.

Vested Options lapsed due to non-exercise and/or unvested Options that get cancelled due to resignation/ termination of the employees or otherwise, would be available for being re-granted at a future date. The Board is authorized to re-grant such lapsed /cancelled options as per the provisions of ESOP 2018.

If any additional equity shares are required to be issued pursuant to any corporate action, the above ceiling of options or equity shares shall be deemed to increase in proportion of such additional equity shares issued subject to compliance of the applicable laws.

2. **Identification of classes of employees entitled to participate in ESOP 2018**

Following class/classes of employees are entitled to participate in ESOP 2018:

- Permanent employees of the Company working with the Company in India or out of India;
- Directors of the Company; and Permanent employees working with respective subsidiary company.

Following class/classes of employees are not eligible:

- an employee who is a Promoter or belongs to the Promoter Group:
- a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and
- an Independent Director within the meaning of the Companies Act, 2013.

3. **Transferability of Employee Stock Options:**

The Options granted to an employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of the Option grantee, the right to exercise all the Options granted to him till such date shall be transferred to his legal heirs or nominees within the period as may be prescribed under ESOP 2018.

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

The Options granted shall vest so long as an employee continues to be in the employment of the Company. The Board may, at its discretion, lay down certain performance metrics on the achievement of which such Options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted would vest subject to the minimum vesting period of 1 year.

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

6. From the date of grant of the options, the options shall vest in the employees within such period as may be prescribed by the N&RC, which period shall as mentioned above, be not less than one year and not more than four years from the date of grant of the options. **Exercise price or pricing formula:**

   The exercise price per Option shall not be less than face value of equity share and shall not exceed fair market price of the equity share of the Company as on date of grant of Option, which may be decided by the Board.

   The Board can give cashless exercise of options, if required to the employees and shall provide necessary procedures and/or mechanism for exercising such options subject to applicable laws, rules and regulations.

7. **Exercise period and the process of Exercise:**

   The vested Options shall be allowed for exercise on and from the date of vesting. The vested Options need to be exercised within a maximum period of 5 years from the date of grant of such Options.

   The vested Option shall be exercisable by the employees 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 Board from time to time. The Options shall lapse if not exercised within the specified exercise period.

   In case of cashless system of exercise of vested Options, the Board shall be entitled to specify such procedures and/or mechanism for the Shares to be dealt with thereon as may be necessary and the same shall be binding on the Option grantees.

8. **Appraisal process for determining the eligibility of employees under ESOP 2018:**

   The appraisal process for determining the eligibility of the employees will be decided by the Board from time to time.

The employees would be granted Options under the ESOP 2018 based on various parameters such as performance rating, period of service, rank or designation and such other parameters as may be decided by the Board from time to time.

9. **Maximum number of Options to be issued per employee and In aggregate:**

The number of Options that may be granted to any specific employee of the Company under the Plan, in any financial year and in aggregate under the ESOP 2018 shall be less than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

10. **Accounting and Disclosure Policies:**

The Company shall follow the Guidance Note on Accounting for Employee Share-based Payments and Accounting Standard - 15 'Employee Benefit' as prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein. The Company shall conform to the accounting policies prescribed by SEBI, RBI, and/or any other appropriate regulatory authority, from time to time.

11. **Method of Option Valuation:**

The Company shall adopt the fair value method or any other method as per applicable Guidance Note or Accounting Standards prescribed by the Institute of Chartered Accountants of India or prescribed under any other statutory provisions from time to time for valuation of options. In case the Company calculates the employee compensation cost using the Intrinsic Value method for valuation of the Option granted, 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 of the company shall also be disclosed in the Boards' Report.

12. **Lock In Period**

Till the time Company gets its Equity Shares listed on any recognized stock exchange or any investor has expressed his willingness for buying out 100% equity, the ESOP Shareholders and the Nominees or legal heirs, as the case may be, shall not be entitled to, and shall not, dilute their shareholding in the Company by way of sale, conveyance, exchange or transfer in any manner whatsoever the Equity Shares held by them (or any interest in such Equity Shares) without a written approval from the Board /Nomination and Remuneration Committee for the same.

13. Conditions under which Vested Options shall lapse

The vested Options shall lapse if not exercised within the exercise period subject to the following:

- in case of termination for cause all Options shall lapse as on the date of termination of such an employee.
- In case of resignation / termination for non-performance / death / permanent disability of an employee, vested options shall lapse if not exercised within 90 days from the date of resignation/termination for non-performance / death / permanent disability or prior to lapse of exercise period, whichever is earlier.

In terms of provisions of Section 62(1) (b) and all other applicable provisions, if any, or the Companies Act, 2013 consent of the Shareholders is being sought by way of a Special Resolution(s) set out at Item No, 6 of this Notice. The resolutions and the terms stated therein as also the terms stated in this explanatory statement hereinabove shall be subject to the guidelines/regulations issued/ to be issued by statutory authorities in that behalf and the Board of Directors/N&RC shall have the absolute authority to vary or modify the terms hereinabove in accordance with and subject to all applicable guidelines which may be stipulated by SEBI, RBI or otherwise

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned in the aforesaid Special Resolution except to the extent of their entitlements, if any, under the Plan.

Your Directors recommend the passing of Resolution proposed at Item No. 6 of this Notice as Special Resolution.

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SK FINANCE
Saath Aapke... Hamesha

Place: Jaipur
Date: 20th August, 2018

By Order of the Board of Directors
For Ess Kay Fincorp Limited
(Erstwhile Ess Kay Auto Finance Private Limited)

For ESS KAY FINCORP LIMITED

Anagha

Company Secretary

Anagha Bangur
Company Secretary
Membership No. 31267

ESS KAY FINCORP LIMITED
(Formerly Known as ESS KAY AUTO FINANCE PVT. LTD.)
Regd. Office : G 1-2, New Market, Khasa Kothi, Jaipur-302001
Ph.: +91-141-4161300-500 I Toll Free Number: 1800 1039 039
E-mail : info@skfin.in I Website : www.skfin.in
CIN : U65923RJ1994PLC009051 I GSTIN : 08AAACE5115F1Z2

ANNEXURE 1

INFORMATION PURSUANT TO SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) REGARDING DIRECTOR SEEKING APPOINTMENT OR RE-APPOINTMENT

Name	Anand Raghvan
Age	57Years
Qualifications	1. Bachelor of Commerce; 1981 2. Chartered Accountant; 1985
Experience	I) Over 20 years' experience in Sundaram Finance Limited, occupying several positions between December 1985 and June 2006. Experience includes Internal Audit, Finalization of accounts, representing before Regulators like RBI, SEBI, and CBDT Corporate Affairs. Also have three years' experience overseeing Tamil Nadu business operations relating to Vehicle Financing. Last Position: Vice President (Corporate Affairs) II) Over 10 years' experience as Partner in Ernst & Young LLP between July 2006 and June 2016 covering Tax and Regulatory aspects of various industries like Financial Services, Real Estate, Auto and Auto components, Media and Entertainment. Specialty areas include NBFC Regulations, Corporate Tax and Foreign Investment and Exchange control regulation and Corporate restructuring. Advised Domestic groups in restructuring of business to achieve operational and regulatory effectiveness. Integral part of Lead Advisory engagements attracting private equity and strategic partners in industries covering Pharma, Financial Services and apparel manufacturing. EY is actively involved in Statutory and Internal Audit of Pharma Companies worldwide.
Terms and conditions of appointment or re-appointment	1. During his tenure as an Independent Director, he will have to submit a declaration at the beginning of every Financial Year under Section 149 (7) of the Companies Act, 2013 ("Act") stating that he meet the criteria of Independence. 2. So long as he is an Independent Director of the Company, the number of companies in which he hold office as a Director or a chairman or committee member will not exceed the limit stipulated under the Act.

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	3. So long as he is an Independent Director of the Company, he will ensure that he do not get disqualified to act as a Director pursuant to the provisions of Section 164 of the Act. 4. He will ensure compliance with other provisions of the Act and the Debt listing Agreement as applicable on him as an Independent Director. 5. He will abide by the Code of Conduct of Directors as per Companies act, 2013 6. He is expected to stay updated on how best to discharge his roles, responsibilities, and duties and liabilities, as an Independent Director of the Company under applicable law, including keeping abreast of current changes and trends in economic, political, social, financial, legal and corporate governance practices. 7. He will has access to confidential information, whether or not the information is marked or designated as "confidential" or "proprietary", relating to the Company and its business including legal, financial, technical, commercial, marketing and business related records, data, documents, reports, etc., client information, intellectual property rights (including trade secrets), ("**Confidential Information**").
Last drawn remuneration	Not Applicable
Date of first appointment on the Board	April 07, 2018
No. of share held	NIL
Relationship with Directors, Managers	Not Related

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& KMP	
Number of Board Meeting attended during FY 2017-18	NIL
Other Directorship	A) **MMTC Limited** 1. Non-official Independent Director effective 15.06.2016 for three years. 2. Chairman of Audit Committee 3. Chairman of CSR Committee 4. Member - Nomination & Remuneration Committee. B) **Fivestar Business Finance Limited** 1. Independent Director from 27.07.2016 2. Member - Audit Committee 3. Member CSR Committee C) **Five Star Housing Finance Private Limited - From 15.12.2016** D) **Sterling Holiday Resorts Limited** E) **Nani Palkhivala Arbitration Centre - Sec. 25 Company** Promoter Director from 21.09.2005 F) Chennai International Centre - Sec. 8 Company Promoter Director from 28.01.2016
Chairman/ Member of the Committees of Boards of other companies	Not Applicable

ANNEXURE 2

INFORMATION PURSUANT TO SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) REGARDING DIRECTOR SEEKING APPOINTMENT OR RE-APPOINTMENT

Name	Shalini Setia
Age	46 Years
Qualifications	B. Sc. from Rajasthan University.
Experience	Ms. Shalini Setia, Director of the company is Co-promoter of the Company. She has more than 7 years of experience in the finance industry. She actively participates in strategic decision making of the company. She is an eternal optimist and has promoted ethics in working environment by creating a work culture which provide a stabilized growth environment and motivation.
Terms and conditions of appointment or re-appointment	1. The Whole-Time Director of the Company shall be liable to retire by rotation. 2. All other terms and conditions excluding above remain unchanged.
Last drawn remuneration	INR 12,00,000 per annum (Indian Rupees Twelve Lakhs Only)
Date of first appointment on the Board	December 18, 1994
No. of share held	14,542 fully paid up Equity Shares of INR 100 each.
Relationship with Directors, Managers & KMP	Related with Mr. Rajendra Kumar Setia (Spouse)
Number of Board Meeting attended during FY 2017-18	11 (Eleven)
Other Directorship	NIL

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Chairman/ Member of the Committees of Boards of other companies	Not Applicable