



NICCO FINANCIAL SERVICES LIMITED

CIN: U65993WB1985PLC038746

Registered Office:

'Nicco House', 1B & 2 Hare Street, Kolkata-700001,

NOTICE is hereby given that an Extraordinary General Meeting of the Members of NICCO FINANCIAL SERVICES will be held on Saturday, the 28th March, 2015 at 2.30 PM, on the 4th Floor, of the Registered Office of the Company at Nicco House, 2, Hare Street, Kolkata - 700001, to transact the following business:-

1. 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(1)(a) of the Companies Act, 2013, and other applicable provisions, if any, the Authorised Share Capital of the Company be and is hereby increased from Rs.1,00,00,000/- divided into 10,00,000 equity shares of Rs.10/- each to Rs.2,00,00,000/- by creation of new 10,00,000 Non-cumulative Redeemable Preference Shares of Rs.10/- each.”

RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association of the Company as to the share capital of the Company be and is hereby deleted and in its place the following be substituted :-

“V. The Authorised Share Capital of the Company is Rs. 2,00,00,000/- (Rupees Two Hundred Lakhs) divided into 10,00,000 (Ten Lakhs) Equity Shares of Rs.10/- (Rupees Ten) each and 10,00,000 (Ten Lakhs) Non-cumulative Redeemable Preference Shares of Rs.10/- each, with power to increase or reduce the capital, to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to modify or abrogate such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company and to consolidate or sub-divide the shares and issue shares of higher or lower denomination, as permitted by the Companies Act, 2013.”

2. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a special resolution:-

“RESOLVED THAT pursuant to the provisions of Section 14(1) and other applicable provisions, if any, of the Companies Act, 2013, Article 2 of the Articles of Association of the Company be and is hereby deleted and substituted by the following :-

“2. The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided under Clause V of the Memorandum of Association of the Company.”

3. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a special resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 42, 62 and all other applicable provisions of the Companies Act, 2013, read with Rule 14 of Chapter III of the Companies (Prospectus and Allotment of Securities) Rules, 2014, along with Rule 13 of Chapter IV of the Companies (Share Capital and Debentures) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), 10,00,000 – 20 Year 9% Non-cumulative Redeemable Preference Shares of Rs. 10/- each forming part of the increased authorised share capital of the Company be issued at a time to be fixed by the Board of Directors hereafter for cash at par upon the following terms and conditions and subject to the following rights:

- a. The said shares shall carry a fixed non-cumulative preferential dividend at the rate of 9% per annum on the capital for the time being paid-up thereon and shall be redeemable not later than 20 years from the date of issue thereof
- b. The said shares shall rank for dividend in priority to the equity shares for the time being of the Company.
- c. The said shares shall in winding up be entitled to rank, as regards repayment of capital and arrears of dividend, whether declared or not, up to the commencement of the winding up, in priority to equity shares but shall not be entitled to any further participation in profits or assets.
- d. The voting rights of the persons holding the said shares shall be in accordance with the provisions of Section 47 of the Companies Act, 2013.”

“RESOLVED FURTHER THAT pursuant to the provisions of clause (c) of sub-section (1) of Section 62 of the Companies Act, 2013, the aforesaid 10,00,000 – 20 Year 9% Non-cumulative redeemable preference shares be offered for subscription by the Directors of the Company for cash at par to Nicco Engineering Services Ltd.”

“RESOLVED FURTHER THAT the Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be necessary, usual, proper or expedient to give effect to this resolution.”

By Order of the Board
for NICCO FINANCIAL SERVICES LIMITED

Kolkata,

M K OGRA
Director

The 10th February, 2015.

Notes:

1. *A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxy form, in order to be valid and effective, must be deposited at the registered office of the Company not less than 48 hours before the time of holding the aforesaid meeting.*

2. The Explanatory Statement in pursuance of section 102(1) of the Companies Act, 2013 is annexed hereto and forms part of this notice.

Explanatory statement in pursuance of Section 102(1) of the Companies Act, 2013.

Item Nos. 1&2 :

The Authorised Share Capital of the Company presently stands at Rs.100,00,000/- divided into 10,00,000 Equity Shares of Rs.10/- each with the Paid-up Share Capital standing at Rs. 78,99,380/- divided into 7,89,938 fully paid-up equity shares of Rs. 10/- each.

Your Company's liabilities include an amount of Rs 90,50,000/- in the form of 90,500 Secured Redeemable Non-Convertible Debentures of Rs. 100/- each ("NCDs") issued in two tranches of 52,000 NCDs and 38,500 NCDs respectively which shall mature for redemption on 20.12.2015 and 04.09.2016 respectively.

To be able to be in a position to redeem the NCDs, your Company would need sufficient funds which your Directors propose to bring in by raising Preference Share Capital. In this context, it is considered necessary to increase the Authorised Share Capital of the Company from the existing Rs. 1,00,00,000/- divided into 10,00,000 equity shares of Rs. 10/- each to Rs. 2,00,00,000/- by creation of new 10,00,000 Redeemable Non-cumulative Preference Shares of Rs.10/- each. The proposed increase of the Authorised Capital of the Company requires the approval of the Members in General Meeting as set out in item no. 1 of the Notice.

The special resolution proposed at item no. 2 is a consequential amendment to the Articles of Association of the Company arising out of the ordinary resolution set out in item no. 1 of the Notice.

The Board recommends that the Resolutions as proposed be passed.

Copies of the Memorandum & Articles of Association of the Company shall be available for inspection of members at the registered office of the Company on any working day during business hours till the day before the date of the extra-ordinary general meeting ("EGM") and also at the EGM.

No director of the Company or any of their relatives are, in any way, concerned or interested in the Resolutions.

Item No.3

As stated in the preceding paragraphs, your Company's liabilities include an amount of Rs. 90,50,000/- in the form of 90,500 Secured Redeemable Non-Convertible Debentures of Rs. 100/- each ("NCDs") issued in two tranches of 52,000 NCDs and 38,500 NCDs respectively which shall mature for redemption on 20.12.2015 and 04.09.2016 respectively.

Presently, the Company does not have sufficient funds to redeem these debentures on their due dates. To be able to be in a position to redeem the NCDs on or before their respective due dates, your Company would need sufficient funds which your Directors propose to raise by issuing Preference Share Capital on preferential offer basis.

Hence this proposed special resolution which your Board recommends needs to be passed.

The information as required to be disclosed under Rule 13(2)(d) of Chapter IV of the Companies (Share Capital and Debentures) Rules 2014, for preferential offers are as under:-

- (i) The objects of the issue: - Redeem the Secured Redeemable Non-Cumulative Debentures of Rs. 90,50,000/-.
- (ii) The total number of shares or other securities to be issued: - 10,00,000 Nos 20 years 9% non-cumulative Redeemable Preference Shares of Rs. 10/- each.
- (iii) The price or price band at/within which the allotment is proposed: - at base price of Rs 10/- each.
- (iv) Basis on which the price has been arrived at along with report of the registered valuer: - at base price of Rs 10/- each on Preferential basis.
- (v) Relevant date with reference to which the price has been arrived at: - not applicable
- (vi) The class or classes of persons to whom the allotment is proposed to be made: - allotment proposed to be made in the name of Nicco Engineering Services Limited.
- (vii) Intention of promoters, directors or key managerial personnel to subscribe to the offer: - Nil
- (viii) The proposed time within which the allotment shall be completed: - within two months from the date of receipt of Share Application money.
- (ix) The names of the proposed allottees and the percentage of post preferential offer capital that may be held by them: - Nicco Engineering Services Limited – 100% post preferential offer capital.
- (x) The change in control, if any, in the company that would occur consequent to the preferential offer: - Nil
- (xi) The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price: - Not Applicable
- (xii) The justification for the allotment proposed to be made for consideration other than cash together with the valuation report of the registered valuer : - Not Applicable
- (xiii) The pre-issue and post-issue shareholding pattern of the company: - Not Applicable

Mr. Rajive Kaul, Ms Pallavi Priyadarshini Kaul and Mr. Shiv Siddhant Narayan Kaul, Directors of your Company, may be deemed to be concerned or interested in the resolution. Save as above, no other director of the Company or any of their relatives are, in any way, concerned or interested in the Resolution.

By Order of the Board
for NICCO FINANCIAL SERVICES LIMITED

Kolkata,

M K OGRA

The 10th February, 2015.

Director