

NOTICE

NOTICE is hereby given that the **TWELFTH ANNUAL GENERAL MEETING** of the Members of **SHRIRAM AUTOMALL INDIA LIMITED** (the Company) will be held on **Tuesday, September 28, 2021 at 05:00 p.m. IST** through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a. the Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, together with Report of the Auditors thereon and in this regard pass the following resolution as **Ordinary Resolutions**:
 - (a) **“RESOLVED THAT** the audited financial statements including Balance Sheet of the Company as at March 31, 2021, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date together with all the notes annexed and the Directors’ and Auditors’ Reports thereon, placed before the meeting, be and are hereby considered and adopted.”
 - (b) **“RESOLVED THAT** the audited consolidated financial statements including Balance Sheet of the Company as at March 31, 2021, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date together with all the notes annexed and the Auditors’ Reports thereon, placed before the meeting, be and are hereby considered and adopted.”
2. To appoint Director in place of Mr. Vikram Alva, (DIN: 07455611) who retires by rotation under Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment; in this regard, pass the following resolution as **Ordinary Resolution**:

“RESOLVED THAT in accordance with provision of Section 152(6) and other applicable provisions of the Companies Act, 2013, Mr. Vikram Alva, (DIN: 07455611) who retires by rotation at this meeting and being eligible, offers himself for

re-appointment be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

3. To fix remuneration of Statutory Auditors of the Company and in this regard, pass the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 142 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (ICAI Firm Registration Number: 101049W/E300004), who were appointed as Auditors of the Company including Tax Audit at the 10th Annual General Meeting (AGM) held on July 03, 2019 to hold office from conclusion of 10th AGM until the conclusion of 15th AGM of the Company, be paid remuneration of Rs. 23,00,000/- exclusive of out-of-pocket expenses (which will be at actuals subject to capping of Rs. 1,60,000/-), goods and services tax and other taxes as applicable which will be charged at actuals for this Financial Year 2021-2022.”

SPECIAL BUSINESS

4. To make investment / extending loans / provide guarantee in bodies corporate up to Rs. 200 Crores exceeding the aggregate limits provided under section 186 of the Companies Act, 2013.

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

“RESOLVED THAT in supersession of the earlier resolution passed at the Extra-Ordinary General Meeting held on November 20, 2020 and pursuant to the provisions of Section 186 Companies Act, 2013 (the ‘Act’) read with Companies (Meeting of Board and its power) Rules, 2014, Section 179 of the Act and all other applicable provisions, if any of the Act (including any statutory modification or re-enactment thereof for the time being in force), and such other approvals as may be required in that behalf, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as ‘the Board’ which term shall be deemed to include Business Development Committee or any other Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company,

subject to however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 200 Crores (Rupees Two Hundred Crores Only) over and above the limit of sixty per cent of the paid-up share capital, free reserves and securities premium account of the Company or one hundred per cent of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT with the consent of the members of the Company to the Board of Director (Business Development Committee or any Committee thereof), be and is hereby authorised to invest in the Subsidiaries or any other body corporate, make loans to them; provide guarantees/security on their behalf, to person, within the limits, if any, as may be applicable from time to time and on such terms and conditions as may be deemed fit and expedient.

RESOLVED FURTHER THAT the Board of Director (Business Development Committee or any Committee thereof), be and is hereby authorised to negotiate the terms and conditions, interest rate and tenure of the above said investments, loan(s), security(ies) or guarantee(s) as they deem fit and in the best interest of the Company and take all such steps as may be necessary to complete the same.

RESOLVED FURTHER THAT the Board of Director (Business Development Committee or any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and with power to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further approval of the Members of the Company.”

5. Recommendation for approval of managerial remuneration to be paid to Mr. Sameer Malhotra, CEO and Whole Time Director, for Financial Year 2021 – 2022.

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

“**RESOLVED THAT** further to resolution passed at 10th Annual General Meeting of the Company held on July 03, 2019 and in accordance with the provisions of Sections 196, 197, 198 and 203 of the Companies Act, 2013 (‘the Act’) read with Schedule V and Rule 8 of the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014 and Articles of Association of the Company and if necessary and other applicable provisions, if any, Fixed remuneration to Mr. Sameer Malhotra, CEO & Whole Time Director (holding DIN: 01029645) for the Financial Year 2021-22, revised to Rs. 108.44 Lakhs from Rs. 93.73 Lakhs (financial year 2020-21) be and is hereby approved.

RESOLVED FURTHER THAT ESOP apportionment value of Rs. 66.11 Lakhs, in line with Ind AS accounting and to be charged in the books of accounts, for the Financial Year 2021-22 be and is hereby approved.

RESOLVED FURTHER THAT annual variable remuneration of Rs. 20 Lakhs be and is hereby approved.

RESOLVED FURTHER THAT remuneration to Mr. Sameer Malhotra, CEO & Whole Time Director (holding DIN: 01029645) for the Financial Year 2021-22 to be paid even in the event of loss or inadequacy of profits, during the aforesaid period, with other appointment terms and conditions remaining same and he shall perform such duties and exercise such power as may from time to time be lawfully entrusted to and conferred upon him by Board.

RESOLVED FURTHER THAT fixed, ESOP apportionment and variable remuneration to Mr. Sameer Malhotra, CEO and Whole Time Director (holding DIN: 01029645) for the Financial Year 2021-22, be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors of the Company / Nomination and Remuneration Committee be and are hereby authorised to do all such acts, deeds, matters and things as may be considered and shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as already approved by the members to give effect to this resolution.”

**By Order of the Board of Directors
For SHRIRAM AUTOMALL INDIA LIMITED**



**Nitin Lokhande
Company Secretary**

Date: September 21, 2021

Place: Mumbai

Registered Office:

Sri Towers, Plot No: 14A, South Phase,
Industrial Estate, Guindy, Chennai - 600 032.

NOTES:

1. In view of the COVID-19 pandemic, the Government of India, Ministry of Corporate Affairs (“MCA”) has permitted conducting Annual General Meeting through video conferencing (“VC”) or other audio-visual means (“OAVM”). In this regard, MCA issued Circular No. 14/2020 dated 8th April 2020, Circular No.17/2020 dated 13th April 2020, Circular No.20/2020 dated 5th May 2020 and Circular No.02/2021 dated 13th January, 2021 (“MCA Circulars”), prescribing the procedure and manner of conducting the Annual General Meeting through VC / OAVM. In compliance with the applicable provisions of the Companies Act, 2013 (“Act”) read with MCA Circulars, the 12th Annual General Meeting (“12th AGM” or “Meeting”) of the Members will be held through VC / OAVM. In compliance with the applicable provisions of the Act, MCA Circulars, the 12th AGM of the Members will be held through VC/OAVM. Hence, Members can attend and participate in the 12th AGM through VC/OAVM only.
2. The relevant details of Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
3. An Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013, in respect of Item no. 4 and 5 are annexed hereto and forms a part of this Notice.
4. In terms with provisions of Section 152(6) of the Companies Act, 2013, Mr. Vikram Alva, (DIN: 07455611) who retires by rotation at this meeting, Except Mr. Vikram Alva, none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in the proposed resolution as ordinary resolution set out in item number 2 of the Notice.
5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM 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. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a scanned copy of certified copy of the Board resolution, authorizing their representative to attend and vote on their behalf at

the meeting through VC / OAVM. The said Resolution/Authorization shall be sent by email through its registered email address to nitin.l@samil.in.

7. Relevant documents referred to in the accompanying Notice and the Statements will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to nitin.l@samil.in.
8. The Company has been maintaining, inter alia, the following statutory registers at its registered office at Chennai, Tamil Nadu - 600 032:
 - i) Register of contracts or arrangements in which directors are interested under Section 189 of the Act.
 - ii) Register of directors and key managerial personnel and their shareholding under Section 170 of the Act.

In accordance with the MCA Circulars, the Statutory Registers will be made accessible for inspection through electronic mode and shall remain open and be accessible to any Member during the continuance of the 12th AGM.

9. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.samil.in.
10. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
11. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

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

Item No. 4

Pursuant to section 186 of the Companies Act, 2013 (The Act), no Company shall directly or indirectly:

- (a) shall give any loan to any person or other body corporate;
- (b) shall give any guarantee or provide security in connection with a loan to any other body corporate or person; and
- (c) shall acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

The Company is giving loan to its subsidiaries companies and making the investment of available surplus funds of the Company from time to time in the inter corporate deposits, Mutual funds, Fixed Deposits and the Non-Convertible Debentures of the bodies corporate. The Company had earlier in Extra-Ordinary General Meeting held on November 20, 2020 had revised the approval of members of the Company under the said provision of section 186 of the Act for amount of Rs. 150 Crore.

In order to support the business activates, it is propose to widen the scope of previous resolution for making loan(s) and/or give any guarantee(s)/provide any security(ies) and investment under provision of section 186 of the Act.

Accordingly, the Board of Directors recommends the Special Resolution at Item No. 4 of the accompanying Notice for approval of the Members of the Company.

Except Mr. Satish Kumar Garg, Chief Executive Officer and Mr. Nitin Lokhande, Company Secretary of the Company (Key Managerial Personnel) being director in wholly owned subsidiary/subsidiary are concerned interested in aforesaid resolution.

None of the Directors of Company nor their relatives is in any way, concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding in the Company, if any.

Item No. 5

The Members in its 10th Annual General Meeting held on July 03, 2019 had approved appointment of Mr. Sameer Malhotra, CEO and Whole Time Director of the Company for the period of 5 years i.e. April 01, 2019 up to March 31, 2024. The approval was with fixed remuneration capped at 10% increase Year-on-Year basis, annual variable capped at Rs. 50 Lakhs. During last financial year 2020-21 due to COVID-19 pandemic there was no increment to remuneration paid to Mr. Sameer Malhotra, CEO and Whole Time Director of the Company.

Pursuant to Section 197 of the Companies Act, 2013 ('the Act'), total managerial remuneration payable by a Public company to its director, managing director and whole-time director, and its manager in respect of any financial year not exceeding 5% of Net Profits computed in the manner laid down in section 198 Act. The Company at present has only one Whole Time Director.

The remuneration payable to Mr. Sameer Malhotra, CEO and Whole Time Director for the Financial Year 2021-2022 which consists 10% increment (cost to company ('CTC') basis) in the fixed remuneration for the Financial Year 2021-22, resulting CTC be Rs. 108.44 Lakhs from Rs. 93.73 Lakhs (financial year 2020-21) and ESOP apportionment value to the Profit & Loss account of Rs. 66.11 Lakhs and annual variable remuneration of Rs. 20 Lakhs (for Financial Year 2020-21, taxable on receipt basis), to be approved for the Financial Year 2021-22.

Members are hereby inform that earlier Central Government Approval was required for remuneration payment in excess of limits specified u/s 197 of the Act, but this provision was omitted vide amendment notification dated September 12, 2018 and now the same could be approved by Shareholders.

Accordingly, the Board of Directors recommends the Special Resolution at Item No. 5 of the accompanying Notice for approval of the Members of the Company.

Except Sameer Malhotra, CEO and Whole Time Director, none of the other Directors of Company nor their relatives is in any way, concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding in the Company, if any.

Information for shareholders of the Company required to be given pursuant to Schedule V of the Companies Act, 2013

I. GENERAL INFORMATION

1. Nature of Industry :

The Company is carrying on business of providing various fee based and facilitation services in connection with trading of pre-owned commercial / passenger vehicles, construction and agricultural equipment's through its Automalls. The Company also provides services such as valuation, parking, refurbishing of pre-owned commercial and passenger vehicles.

2. Date or expected date of Commencement of Commercial Production:

Not applicable as the Company is engaged providing various fee based facilitation services.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

4. Financial Performance of the Company:

The Financial Performance of the Company is as follows:

(Rs. in lakh)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Revenue from Operation and other Income	13,951.70	15,996.66	13,765.44	10,859.97	8,283.86
Profit before Depreciation, Finance Cost and Tax but after Prior Period Items	4,172.84	4,373.42	3,629.24	3,208.41	1,513.00
Depreciation / Amortization	813.02	596.92	105.26	85.65	96.57
Interest and Finance Charges	398.20	305.92	50.32	10.42	4.01
Profit / (Loss) before Exceptional Items and Tax	2,961.62	3,470.58	3,523.98	3,112.34	1,412.42
Exceptional Gain / (Loss)	0.00	0.00	0.00	0.00	0.00
Profit / (Loss) before Tax	2,961.62	3,470.58	3,523.98	3,112.34	1,412.42
Profit / (Loss) After Tax	2,636.47	2,248.63	2,533.73	2,037.22	829.15

5. Foreign Investments or collaborations: Nil

II. Information about appointee:

Sr. No.	Particulars	Mr. Sameer Malhotra
1.	Background details:	<p>Mr. Sameer Malhotra has gained in-depth experience of 31 years in auctioning / trading of pre-owned commercial and passengers Vehicles. Previously, he was heading several divisions of a renowned Company engaged in financing infrastructural equipment's.</p> <p>Mr. Sameer Malhotra has worked for over 5 years as the Country Manager and Director, Asia Subcontinent, for Ritchie Bros. Auctioneers (RBA), the world's largest industrial auctioneer. He also has a decade long experience in heading several divisions of SREI Infrastructure Finance Limited (SREI), India's largest finance and rental group focused on infrastructure equipment as Sr. Vice President.</p> <p>Mr. Malhotra has worked in different organisations and handled client relationships, sales, marketing, vendor relationships, people development, team building, geographical expansion, new products development etc. He has special skill sets in areas such as man management, goals achievement, risk evaluation, training, market dynamics and communication.</p> <p>He is Bachelor of Commence (H.), ICWAI (I).</p>
2.	Remuneration of Past Years: 2016-17 2017-18 2018-19 2019-20 2020-21	<p>Rs. 79.09 lakhs Rs. 83.39 lakhs Rs. 110.39 lakhs Rs. 477.62 lakhs Rs. 204.93 lakhs</p>
3.	Recognition or awards:	<ul style="list-style-type: none"> • Prominent Panel Speaker at 'Construction Technologies Post-Covid19' by Construction World • Panel Speaker at WAF Gurus Live - prominent panel speaker at WAF (World Auto Forum) Gurus Live Episode 2 on April 02, 2020 • Best Pre-Owned Commercial Vehicle Company - at the CIA World Builders and Building Material Awards 2020 on February 29, 2020 • Prominent Panel Speaker at Second Annual Conclave on Construction Equipment Financing conducted by ICEMA - presented the company at Second Annual Conclave on Construction Equipment Financing conducted by Indian Construction Equipment Manufacturers'

		<p>Association (ICEMA) on February 05, 2020</p> <ul style="list-style-type: none"> • Jury Member, 7th Annual Equipment Awards and Global Leaders Forum 2019 • Delhi – Best Employer Brand Awards 2019
4.	Job Profile & his/ her suitability	Responsible for day to day management, planning, supervision, control and operation of the Company under the overall supervision of the Board of Directors of the Company.
5.	Remuneration Proposed	Rs. 182.27 Lakhs (including ESOP value of Rs. 66.11 Lakhs)
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of origin)	The remuneration is comparable with the prevailing remuneration being paid in the industry, keeping in view his qualification, knowledge & experience besides position.
7.	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	Mr. Sameer Malhotra does not have any pecuniary relationship with the Company or Directors or any KMP.

III. Other Information

1. Reasons of loss or inadequate profits:

Shriram Automall India Limited (SAMIL) was incorporated as a wholly owned subsidiary of Shriram Transport Finance Company Limited (STFC) with the objective of facilitation trading of pre-owned / repossessed vehicles financed by STFC and currently SAMIL is an Associate Company of STFC. SAMIL has 90 Automall's located across the Country. SAMIL also undertook to provide facilitation services for disposal of commercial/ passenger vehicles, agricultural equipment's etc. financed by Banks, Financial Institutions, other finance companies and automobile dealers for their trade-in stocks.

SAMIL is one of the pioneers of Automall business in India. This business requires establishment of Automall's and other facilities, employment of large number of employee etc. SAMIL earns income from fee based services providing platform for disposal of vehicles, equipment's etc. valuation of vehicles, parking of vehicles etc.

In line with Ind AS accounting, the allotted ESOP's is to be valued and apportioned in books of accounts over the vesting period and the charge to the Company Profit and Loss account, for the options Granted / Vested to CEO and Whole Time Director are construed as ESOP Remuneration of Rs. 66.11 Lakhs for F.Y. 2021 – 2022. The present approval is being sought only because of the apportioned ESOP cost charged to the Profit and Loss account.

2. Steps taken or proposed to be taken for improvement:

As stated in earlier in point III - 1.

3. Expected Increase in productivity and profits in measurable terms:

Presently the scale of business of SAMIL is limited to 90 locations. In view of the limited scale of operations the margin are under pressure. The Company's margin will improve upon increase in the scale of operations in next 3 to 5 years. SAMIL has initiated steps to upgrade technology, reduce employee cost, overhead and operational expenses. The Company is in the process of improving efficiencies at all level in a phased manner across its Automall in India. The Company is also diversifying its activities in providing bidding platform for trading properties and other products etc.

IV. Disclosures:

Refer Page No. 12 of the Directors report for detailed disclosure.

Details of Director under SS 2 - Secretarial Standard on General Meetings seeking appointment / re-appointment at the ensuing 12th Annual General Meeting:

Name of Director	Mr. Vikram Alva
Date of Birth and Age	September 26, 1972 (48 years)
Directors Identification Number	07455611
Date of first appointment on the Board of the Company	February 07, 2018 (as an Additional Director)
Expertise in specific functional areas	22 Years
Qualifications	BE Mech. PGDM
Directorship held in other companies	CarTrade Finance Private Limited
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committee / Nomination and Remuneration Committee and Stakeholders Relationship Committee)	Nil
Shareholdings in the Company	10 Shares (As nominee shareholder of CarTrade Tech Limited)
Disclosure of relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not related to any Director, Manager or Key Managerial Personnel of the Company
Remuneration received from the Company during F.Y. 2020-2021	Not Applicable
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	Director liable to retirement by rotation. No Remuneration is paid to Non-Executive Non-Independent Director.
Number of Board Meetings attended during the F.Y. 2020-2021	4 (Four) out of 4 Meetings held

**By Order of the Board of Directors
For SHRIRAM AUTOMALL INDIA LIMITED**



**Nitin Lokhande
Company Secretary**

Date: September 21, 2021

Place: Mumbai

Registered Office:

Sri Towers, Plot No: 14A, South Phase,
Industrial Estate, Guindy, Chennai – 600 032.