

NOTICE

NOTICE IS HEREBY GIVEN THAT AN EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED WILL BE HELD ON 8th NOVEMBER, 2011, TUESDAY AT 12.00 NOON AT THE REGISTERED OFFICE OF IIFCL AT 8TH FLOOR, HT HOUSE, 18 & 20 K. G. MARG, NEW DELHI-110001 TO TRANSACT THE FOLLOWING BUSINESS:

SPECIAL BUSINESS:

1. RATIFICATION OF THE APPROVAL OF SHAREHOLDERS OBTAINED IN THE AGM HELD ON 5TH AUGUST 2009 FOR INCREASE IN THE AUTHORIZED CAPITAL OF THE COMPANY FROM ₹ 2000 CRORE TO ₹ 5000 CRORE

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:-

“RESOLVED THAT, in continuation of the resolution no 6 passed in the 4th AGM of the Company held on 5th August 2009 authorizing the increase in the Authorized Capital of the Company from ₹ 2000 crore to ₹ 5000 crore and the consequent registration of the same with the RoC and the cabinet approval received by the Company, the increase in the Authorized Capital from ₹ 2000 crore to ₹ 5000 crore, be and is hereby ratified.”

2. AMENDMENT IN THE ARTICLES OF ASSOCIATION OF THE COMPANY OWING TO CHANGE IN THE COMPOSITION OF THE BOARD OF DIRECTORS ON ACCOUNT OF BROAD BASING OF THE BOARD OF DIRECTORS.

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:-

“RESOLVED THAT pursuant to Section 31 and other applicable provisions of the Companies, 1956, the existing Article 115.1 of the Articles of Association of the Company, be and is hereby deleted and substituted by a new set of Article

115.1 as under, initialed by the chairperson of the meeting for the purpose of identification.

Existing Article 115. 1. – Composition of Board of Directors	Proposed Article 115 .1. – Composition of Board of Directors
<p>The Board of Directors of the Company shall consist of:</p> <ul style="list-style-type: none"> a. Two whole-time Directors, one of whom shall be Chairman and Managing Director, who shall not be liable to retire by rotation; b. Two director(s) who may be officials of the Central Government, nominated by the Central Government; c. Three part time directors who will be experts from outside the Government; d. Such number of directors elected by the members other than the Central Government, as follows; <ul style="list-style-type: none"> i. where the total amount of equity share 	<p>The Board of Directors of the Company shall consist of :</p> <ul style="list-style-type: none"> a. Two whole-time Directors, one of whom shall be Chairman & Managing Director, who shall not be liable to retire by rotation; b. Not more than 10 Directors nominated by the Central Government of whom: <ul style="list-style-type: none"> i. Three Directors shall be officials of the Central Government including one each from Department of Financial Services (DFS) and Planning Commission; ii. Not more than two Directors to be from Scheduled Commercial Banks; iii. One Director shall be a person who is a Chartered Accountant; iv. Not more than 4 Directors shall be persons who have special knowledge of or professional experience in accounting and audit, infrastructure finance, risk management etc. c. One Director, who may be official of the RBI, nominated by the RBI. d. Such number of Directors elected by the members as per requirement of the Companies Act, 1956, whenever IIFCL goes public

<p>capital issued to such shareholders is twenty five per cent or less of the total issued equity capital, two directors;</p> <p>ii. where the total amount of equity share capital issued to such shareholders is more than twenty five per cent but less than forty per cent of the of the total issued equity capital, four directors; and</p> <p>iii. where the total amount of equity share capital issued to such shareholders is forty per cent or more of the total issued equity capital, six directors.</p>	
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“RESOLVED FURTHER THAT the Chairman & Managing Director and the Company Secretary be and is hereby authorised on behalf of the Board of Directors to do all such acts, deeds and things as may be required or deemed expedient to implement this resolution”.

**BY ORDER OF THE BOARD
FOR INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED**

Place: **New Delhi**

Date:04.11.2011

**K RENU
COMPANY SECRETARY**

REGISTERED OFFICE

8th Floor, HT House,
18 & 20 Kasturba Gandhi Marg,
New Delhi-110001

NOTE:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY TO ATTEND AND ON A POLL VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
- 3. THE EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 IN RESPECT OF THE AFORESAID SPECIAL BUSINESS IS ANNEXED HERETO.**

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No 1

The Board vide its resolution dated 14th July 2009 had approved the increase in Authorized Capital from ₹ 2000 crore to ₹ 5000 crore. The increase in Authorized Capital from ₹ 2000 crore to ₹ 5000 crore has also been approved in the Annual General meeting of the shareholders held on 5th August 2009. However, the Cabinet approval was pending in this regard.

Now, the Company has received the approval of the Union Cabinet. Hence, it is considered prudent that the Company may get the shareholders' approval obtained in the AGM held on 5th August 2009, ratified for increase in the Authorized Capital of the Company from ₹ 2000 crore to ₹ 5000 crore.

The Board of Directors recommends passing of the ordinary resolution as contained in the notice.

None of the Directors is in any way concerned or interested in this resolution.

This resolution is therefore placed, for your approval.

Item No 2

As per the letter no. F.No. 18/18/2008-IF-I(Vol III) dated 24th October 2011, received from Department of Financial Services (DFS), Ministry of Finance (MoF), the Union Cabinet in its meeting held on 13th October 2011 has granted its approval to the following proposals:

- IIFCL may be brought under the regulatory oversight of RBI by registering it as an NBFC-IFC.
- The authorized capital of IIFCL may be increased from ₹ 2000 crore to ₹ 5000 crore with a proviso that it may be further increased to ₹ 8000 crore with the approval of the Finance Minister.
- The Board of IIFCL may be broad based.
- Once IIFCL is brought under the regulatory oversight of RBI, there is no need to constitute the Oversight Committee as approved earlier by the Cabinet.
- Revised SIFTI has come into effect from 13th October 2011. Further modifications in SIFTI may be made with the approval of the Finance Minister.

As per the letter received from Department of Financial Services, the composition of the Board as provided in Article 115.1 is proposed to be altered as under:

“The Board of Directors of the Company shall consist of :

- a) Two whole-time Directors, one of whom shall be Chairman & Managing Director, who shall not be liable to retire by rotation;
- b) Not more than 10 Directors nominated by the Central Government of whom:
 - i. Three Directors shall be officials of the Central Government including one each from Department of Financial Services (DFS) and Planning Commission;
 - ii. Not more than two Directors to be from Scheduled Commercial Banks;
 - iii. One Director shall be a person who is a Chartered Accountant;
 - iv. Not more than 4 Directors shall be persons who have special knowledge of or professional experience in accounting and audit, infrastructure finance, risk management etc.
- c) One Director, who may be official of the RBI, nominated by the RBI.
- d) Such number of Directors elected by the members as per requirement of the Companies Act, 1956, whenever IIFCL goes public”

The Board of Directors recommends passing of the special resolution as contained in the notice.

None of the Directors is in any way concerned or interested in this resolution.

This resolution is therefore placed, for your approval.

BY ORDER OF THE BOARD
FOR INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED

K RENU
COMPANY SECRETARY

Place: **New Delhi**

Date: **04.11.2011**