

VIRINCHI LIMITED

Regd Office: 8-2-672/5&6, 4th Floor, Ilyas Mohammed Khan Estate Road No.1,
Banjara Hills, Hyderabad- 500034, Telangana.

Tele: 040-48199999, Website: www.virinchi.com, Email: investors@virinchi.com,

CIN: L72200TG1990PLC011104

NOTICE OF POSTAL BALLOT & E-VOTING

(Pursuant to Section 108 and Section 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014)

To

**The Members
Virinchi Limited**

Dear Member(s),

| VOTING STARTS ON | VOTING ENDS ON |
|--|--|
| Friday, July 15, 2022 at 9.00 a.m. (IST) | Saturday, August 13, 2022 at 5.00 p.m. (IST) |

Notice is hereby given pursuant to Section 108, Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, read with General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020, the General Circular No. 39/2020 dated December 31, 2020, General Circular No. 02/2021 dated January 13, 2021, the General Circular No. 10/2021 dated June 23, 2021, the General Circular No. 20/2021 dated December 8, 2021 and the General Circular No. 03/2022 dated May 5, 2022 issued by Ministry of Corporate Affairs ("MCA Circulars"), read with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) including any statutory modification or re-enactment thereof for the time being in force and pursuant to other applicable laws and regulations, that the Resolutions appended below are proposed to be passed by the Members of the Company by means of Postal Ballot, only by way of remote electronic voting process("e-voting").

Pursuant to the MCA Circulars and other applicable laws and regulations, this Postal Ballot Notice is being sent in electronic form only to those Members whose e-mail address is registered with the Depositories/Company/Registrar and Share Transfer Agent (RTA) i.e., Aarthi Consultants Private Limited (“Aarthi Consultants”). The Company has engaged the services of Central Depository Services India Limited (“CDSL”) for providing e-voting to all its members. As the Members are required to cast their votes electronically only, they are requested to read the instructions carefully, as provided in Note No. 12 in the Postal Ballot Notice.

The remote e-voting window shall remain open from 9:00 a.m. (IST) on Friday, July 15, 2022, till 05:00 p.m. (IST) on Saturday, August 13, 2022, and the remote e-voting shall be disabled thereafter and shall not be allowed beyond the aforesaid date and time. Members are requested to cast their votes on or before the aforesaid date and time to consider the votes as valid.

The Board of Directors of the Company, at their meeting held on Tuesday, July 12, 2022, approved alteration in objects clause of the Memorandum of Association (MOA) of the Company, re-appointment of Mrs. Kunda Kalpana as Independent Director and revision in remuneration of Mr. Viswanath Kompella, Advisor, subject to the approval of the Members of the Company by way of Special Resolution.

As required pursuant to Sections 102, 110 and other applicable provisions, if any, of the Act, the Explanatory Statement, setting out the material facts concerning the proposed Special Resolutions, is annexed hereto.

The Board of Directors has appointed Mr. Naga Vivek Anand Tadimeti, Chartered Accountant, Tadimeti & Associates, (Firm Registration No. 021271S and Membership No. 236620), as the Scrutinizer for conducting the postal ballot through the e-voting process in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman of the Company, or any person authorized by him after completion of scrutiny of the votes. The results of voting conducted through postal ballot (remote e-voting process only) will be announced by the Chairman or any person authorized by him on or before Wednesday, August 17, 2022. The results of the voting along with the Scrutinizer’s Report will be made available on the Company’s website i.e. www.virinchi.com the website of Aarthi Consultants Private Limited (RTA), at www.aarthiconsultants.com and also communicated to BSE Limited (“BSE”), where the Company’s equity shares are listed and be available on it’s websites, i.e., www.bseindia.com

PROPOSED RESOLUTION'S:

SPECIAL BUSINESS

Item No. 1:

Alteration in Objects of the Memorandum of Association (MOA) of the Company

*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 the Section 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with the Companies (Incorporation) Rules, 2014 (including any statutory amendment (s), modification(s) or re-enactment thereof, for the time being in force) and subject to necessary approval(s) from the Statutory Authorities (if any) and subject to the approval of the shareholders of the Company, the consent of the Board of Directors of the Company be and is hereby accorded ***for alteration of main objects clause of the Memorandum of Association (MOA) of the Company by adding the following objects after the Main Objects III (A) 6:***

7. To act as the Service Provider for all the activities as Business Correspondent and or business facilitators to Banks, as per Guidelines prescribed by the Reserve Bank of India from time to time and enabling discharge of banking services of Business Correspondent including but not limited to opening savings bank account, recurring deposit account, remittances, fixed deposit and to provide services of Business facilitator (as permitted by the Reserve Bank of India) in the products, including but not limited to loans against TDR/NSC/KVP etc, gold loans, general purpose credit card, Kisan credit cards, insurance (life and non-life) pension, recovery in NPA accounts (substandard, doubtful and loss and written off accounts) and any other third party financial product.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby severally authorized to perform and execute all such acts deeds and things as may be necessary including delegating such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for matters connected herewith or incidental hereto.”

Item No. 2:

Re-appointment of Mrs. Kunda Kalpana, DIN: 07328517 as an Independent Director of the Company

*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 149, 150, 152 and 160 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act, as amended from time to time and Regulation 17 and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and on recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, ***Mrs. Kunda Kalpana***, DIN:07328517, who is eligible for re-appointment as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing her candidature for the office of Director and who has submitted a declaration that she meets the criteria for independence as provided in the Act and Regulations, ***be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term for the period from August 28, 2022 to August 27, 2027.***

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby severally authorized to perform and execute all such acts deeds and things as may be necessary including delegating such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for matters connected herewith or incidental hereto.”

Item No. 3:

Revision in remuneration of Mr. Viswanath Kompella, Advisor of the Company

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

“RESOLVED THAT pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and pursuant to Sections 179, 184, 188 of the Companies Act, 2013 (“Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), in suppression of the resolution passed by the members of the Company through postal ballot on April 18, 2019 and on recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded to revise the remuneration of Mr. Viswanath Kompella, Advisor of the Company, w.e.f August 01, 2022 to include variable pay at 0.50% on consolidated turnover of the Company and on the terms & conditions as detailed in the explanatory statement, annexed hereto and forming part of this notice.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby severally authorized to perform and execute all such acts deeds and things as may be necessary including delegating such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for matters connected herewith or incidental hereto.”

**By Order of the Board
For Virinchi Limited**

**Place: Hyderabad
Date: July 12, 2022**

**K. Ravindranath Tagore
Company Secretary
M.No: A18894**

NOTES:

1. Explanatory Statement pursuant to Sections 102 and 110 of the Act, Secretarial Standards-2 (SS-2) and Listing Regulations stating all material facts and the reasons for the proposed Resolution above, is annexed herewith for your consideration.
2. Pursuant to the guidelines and clarifications issued by Ministry of Corporate Affairs vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2021 dated December 8, 2021 and 03/2022 dated May 5, 2022 ("MCA Circulars"), Companies are allowed to conduct postal ballot by sending notice in electronic form only. Accordingly, physical copy of postal ballot notice, postal ballot form, and pre-paid business reply envelope will not be sent to the Members for this postal ballot. The communication of assent or dissent of the Members would take place through the process of remote e-voting only.
3. In compliance with the aforesaid circulars, this Postal Ballot Notice is being sent only through electronic mode to all the Members whose names appear in the Register of Members/ Record of Depositories **as on Friday, July 08, 2022** (Cut-off date) and whose E-mail addresses are registered with the Depositories/Company/Aarthi Consultants. The Postal Ballot Notice is also made available on the Company's website at www.virinchi.com and on the website of the Stock Exchange where the shares of the Company have been listed viz., BSE Limited - www.bseindia.com.
4. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, Aarthi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad - 500029, Telangana State, India i.e., at info@arthiconsultants.com.
5. The voting rights for Equity Shares are one vote per one Equity Share, registered in the name of the members. Voting rights shall be reckoned on the paid-up value of Equity Shares registered in the name of the shareholders as on Friday, July 08, 2022. A person who is not a shareholder on the relevant date should treat this notice for information purpose only.
6. In compliance with Sections 108 and 110 of the Act and the rules made there under, the MCA Circulars and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided the facility to the shareholders to exercise their votes electronically and vote on the resolutions through the

e-voting service facility provided by CDSL. The instructions for e-voting are provided in Note No. 12 of this Postal Ballot Notice.

7. Shareholders desiring to exercise their vote through the e-voting process are requested to read the instructions in the Notes under the section ***“Instructions for E-Voting”*** in this Postal Ballot Notice. Shareholders are requested to cast their vote through the e-voting process from 9:00 a.m. (IST) on Friday, July 15, 2022 to 5:00 p.m. (IST) on Saturday, August 13, 2022 to be eligible for being considered, failing which it will be considered that no response has been received from the shareholder.
8. The Scrutinizer will submit his report to the Chairman after the completion of scrutiny, and the result of the voting by postal ballot through the e-voting process will be announced by the Chairman or any Director of the Company duly authorised, on or before Wednesday, August 17, 2022 and will also be displayed on the website of the Company at www.virinchi.com besides being communicated to the Stock Exchange.
9. The Resolution proposed in the Postal Ballot Notice, if passed by the requisite majority, shall be deemed to have been passed on Saturday, August 13, 2022, the last date specified for receipt of votes through the e-voting process and as if they have been passed at a General Meeting of the Members of the Company.
10. The result of the voting with details of the number of votes cast for and against the Resolution, invalid votes and whether the resolution has been carried or not, along with the Scrutinizer’s report will be displayed for at least three days on the notice board of the Company at the registered office of the Company and on the website of the Company.
11. All the material documents referred to in the explanatory statement will be available for inspection electronically until the last date for receipt of votes through the e-voting process. Members seeking to inspect such documents can send an email to investors@virinchi.com.
- 12. The instructions for E-Voting:**
 - a) In view of the threat of Covid-19, the Company is unable to get the Postal Ballot Notice and Form printed and dispatched. The approval of Members is being sought through Remote E-voting only.
 - b) You are requested to carefully read the instructions before exercising the vote and complete the E-voting between 9:00 a.m. (IST) on Friday, July 15, 2022 to 5.00 p.m. (IST) on Saturday, August 13, 2022.

- c) The Company is offering only Remote E-voting facility to its Members to enable them to cast their vote. A Member has to carefully follow the instructions as given for Evoting. He/ She can use the facility and log in any number of times till he/she has voted on the Resolution or till the end of the voting period, whichever is earlier.
- d) Members who have not registered their E-mail ID for receipt of documents in electronic mode under the green initiative of Ministry of Corporate Affairs need to send an email to info@aarthiconsultants.com along with supporting documents and they would get an email with the link to participate in Remote E-voting.

e) **Voting through electronic means**

In terms of the provisions of Section 108 and Section 110 of the Companies Act, 2013 (the Act) read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this section of the Notice) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020, the General Circular No. 39/2020 dated December 31, 2020, General Circular No. 02/2021 dated January 13, 2021 the General Circular No. 10/2021 dated June 23, 2021, the General Circular No. 20/2021 dated December 8, 2021 and the General Circular No. 03/2022 dated May 5, 2022 issued by Ministry of Corporate Affairs ("MCA Circulars"), the Company is providing facility to exercise votes on the item of business given in the Notice through electronic voting system only, to members holding shares as on Friday, July 08, 2022 (End of Day) being the Cut-off date fixed for determining voting rights of members, entitled to participate in the E-voting process, through the Evoting platform provided by CDSL.

- f) The voting period begins on 9.00 a.m. (IST) Friday, July 15, 2022 and ends on 5.00 p.m. (IST) Saturday, August 13, 2022. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on Friday, July 08, 2022 the cut-off date (record date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- g) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders resolutions.

However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- h) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- i) Pursuant to above said SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL | <p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing 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 visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> |

| Type of shareholders | Login Method |
|--|--|
| | <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| Individual Shareholders holding securities in demat mode with NSDL | <p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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</p> |

| Type of shareholders | Login Method |
|---|---|
| | 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. |

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 Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

| Login type | Helpdesk details |
|---|---|
| Individual Shareholders 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 and 22-23058542-43. |
| Individual Shareholders 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. |

j) Login method for e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

| For Physical shareholders and other than individual shareholders holding shares in Demat. | |
|--|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field. |

- 7) After entering these details appropriately, click on "SUBMIT" tab.
- 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- 11) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- 12) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- 13) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- 14) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- 16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

k) **Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; tadimeticacs@gmail.com with a copy marked to investors@virinchi.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES/RTA.

1. **For Physical shareholders** - Please provide necessary details like 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 RTA email id info@arthiconsultants.com.
2. **For Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. **For Individual Demat shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

General Instructions:

1. In case Members of the Company have not registered their e-mail address:

On account of threat posed by COVID-19 and in terms of the MCA and SEBI Circular mentioned hereinabove, the Company will send Postal Ballot Notice in Electronic form only and hard copy of Postal Ballot Notice along with Postal Ballot Forms and prepaid business envelope will not be sent to the Members for this Postal Ballot. Accordingly, the communication of the assent or dissent of the Members would take place through the E-voting system only. Therefore, those Members who have not yet registered their e-mail address are requested to get their e-mail addresses temporarily registered by visiting http://www.aarthiconsultants.com/investor_services/. Post successful registration of email, the Member would get soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable remote e-voting for this Postal Ballot. In case of any queries, member may write to info@arthiconsultants.com.

2. The Remote E-voting period commences from 9.00 a.m. (IST) on Friday, July 15, 2022 and ends at 5.00 p.m. (1ST) Saturday, August 13, 2022. During this period, the members of the Company, holding shares either in physical form or in demat form, as on the cut-off date i.e., Friday, July 08, 2022 may cast their vote electronically. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

3. The Scrutinizer shall, unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith submit to the Chairman of the Company.

4. Subject to the receipt of sufficient votes, the Resolutions shall be deemed to be passed on the last date of voting i.e., on Saturday, August 13, 2022. The results declared along with the Scrutinizer's Report shall be placed on the Company's website at www.virinchi.com and also on the notice board placed at the Registered Office of the Company and on the website of CDSL.

5. Mr. K.Ravindranath Tagore, Company Secretary, Virinchi Limited, Regd. Off. 8-2-672/5&6, 4th Floor, Ilyas Mohammed Khan Estate, Road No.1, Banjara Hills, Hyderabad - 500034, Telangana State, India, Email: investors@virinchi.com, Phone No. 040-48199999 is responsible to address the grievances connected with the E-voting and Postal Ballot.

6. To receive communication through electronic means, including annual reports and notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their e-mail address with the Company RTA i.e. Aarthi Consultants Private Limited on www.aarthiconsultants.com/investor_services.

7. Members holding shares either in demat or physical mode who are in receipt of Notice and entitled to vote, may cast their votes through e-voting.

**By Order of the Board
For Virinchi Limited**

**Place: Hyderabad
Date: July 12, 2022**

**K. Ravindranath Tagore
Company Secretary
M.No: A18894**

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

As required under Section 102(1) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, this Explanatory Statement contains relevant and material information, as detailed herein, to enable the Members to consider for approval of the Resolution Nos. 1, 2 and 3.

Item No.: 1

Alteration in Objects of the Memorandum of Association (MOA) of the Company

In view of the diversification of the business of the Company for implementation of a new wing under the Information Technology (IT) business, the Board of your Company has proposed to also carry on the services relating to Business Correspondent / as Business Facilitators to Banks.

In this connection, pursuant to the provisions of the section 4, 13 of the Companies Act, 2013 read with all other applicable provisions and any statutory approvals as required, the Board of Directors of your Company, had in their meeting held on Tuesday, July 12, 2022, considered the alteration of the objects clause of the Memorandum of Association (MOA) of the Company for inclusion of additional objects to carry on the services relating to Business Correspondent / as Business Facilitators to Banks.

The main objects proposed to be included in the Memorandum of Association (MOA) of the Company are in line with the Company's business and the said alteration of objects clause for inclusion of the Business of facilitators/ correspondents to Banks, will enable the Company to diversify, expand and carry out its business activities in a better way.

As required under the aforesaid provisions, alteration/change in the objects clause of the MOA shall be approved by the shareholders of the Company by way of passing a special resolution. Accordingly, the alteration/change in the objects clause of MOA for inclusion of new objects is being proposed for the approval of the shareholders by Postal Ballot.

A draft of altered Memorandum with the aforesaid alterations, shall be available for inspection by the Members electronically. Members seeking to inspect the same can send an email to investors@virinchi.com.

The Board recommends the Special Resolution set out in Item No. 1 for approval by the shareholders.

Memorandum of Interest:

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise in the aforesaid resolution.

Item No.: 2

Re-appointment of Mrs. Kunda Kalpana, DIN: 07328517 as an Independent Director of the Company

Mrs. Kunda Kalpana was appointed as an Independent Director of the Company for a period of 5 years w.e.f. August 28, 2017. Her current term as an Independent Director will end on August 27, 2022.

As per the provisions of Section 149 of the Act an Independent Director can hold office for a term up to five consecutive years on the Board of a Company but shall be eligible for re-appointment on passing of a special resolution by the Company. The Company has received a notice in writing under the provisions of Section 160 of the Act, from a member proposing the candidature of Mrs. Kunda Kalpana for the office of Independent Director, to be re-appointed as such under the provisions of Section 149 of the Act.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, had in their meeting held on Tuesday, July 12, 2022, recommended the re-appointed Mrs. Kunda Kalpana, as an Independent Director of the Company, for second term for a period of 5 years effective from August 28, 2022 to August 27, 2027, pursuant to Sections 149, 150 and 161 of the Act read with Schedule IV thereto and Regulation 17 and 25 of SEBI [(Listing Obligations and Disclosure Requirements Regulations, 2015)] (Listing Regulations) for the approval of the shareholders of the Company.

As required under the aforesaid provisions, the re-appointment of Independent Director shall be approved by the shareholders of the Company by way of passing a special resolution. Accordingly, the re-appointment of Mrs. Kunda Kalpana is being proposed for the approval of the shareholders by Postal Ballot.

The Company has received from Mrs. Kunda Kalpana –

a) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014;

b) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act; and

c) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of Listing Regulations.

In the opinion of the Board of Directors, Mrs. Kunda Kalpana, Independent Director proposed to be re-appointed, fulfils the conditions specified in the Act and the Rules made thereunder and the Listing Regulations for an Independent Director and she is independent of the Management. She does not hold any share in the Company in her individual capacity or on a beneficial basis for any other person.

Further, the Board/Nomination and Remuneration Committee reviewed/evaluated the balance of skills, knowledge and experience on the Board and identified the role and capabilities required of an Independent Directors and considers that re-appointment of Mrs. Kunda Kalpana with this experience and expertise will be of immense value addition to the Company.

A copy of the draft letter of re-appointment of Mrs. Kunda Kalpana as an Independent Director setting out the terms and conditions of appointment including her entitlement to sitting fees, commission and others shall be available for inspection by the Members electronically. Members seeking to inspect the same can send an email to investors@virinchi.com.

The resolution seeks the approval of the shareholders by way of special resolution for the Re-appointment of Mrs. Kunda Kalpana Venu as an Independent Director of the Company for a second term to hold office for period of five (5) consecutive years commencing with effect from August 28, 2022, to August 27, 2027, not liable to retire by rotation.

A brief resume and other details, as required pursuant to the Regulation 36 (3) of the Listing Regulations and Secretarial Standards-2, is enclosed as Annexure to this notice.

The Board recommends the Special Resolution set out in Item No. 2 for approval by the shareholders.

Memorandum of Interest:

Mrs. Kunda Kalpana, being the appointee and her relatives are interested in the Resolution.

None of the other Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise in the aforesaid resolution.

Mrs. Kunda Kalpana is not related to any of the Directors or Key Managerial Personnel of the Company.

Item No.: 3**Revision in remuneration of Mr. Viswanath Kompella, Advisor of the Company**

In terms of Section 188 (1) (f) of the Companies Act, 2013 read with Rules made thereunder, appointment to any office or place of profit in the Company at a monthly remuneration exceeding Rs.2.50 lakhs is subject to prior approval of the members.

Mr. Viswanath Kompella, who is the promoter of the Company was appointed as an Advisor to the Board w.e.f. November 10, 2018 for a period of 5 years, who is an officer holding place of profit in the Company under section 188 (1) (f) of the Companies Act, 2013 read with rules made thereunder and resolutions to this effect were passed by the Audit Committee and Board of Directors in their meetings held on November 08, 2018 and November 09, 2018 respectively.

Board of Directors of the Company in their meeting held on Tuesday, July 12, 2022, have on the recommendation of the Nomination & Remuneration Committee and Audit Committee of the Company, approved the proposal for revision in variable incentive to be paid to Mr. Viswanath Kompella, Promoter, as an Advisor to the Board of the Directors of the Company in terms of section 188 (1) (f) of the Act. The variable pay is now made to 0.50% on consolidated sales of the Company with effect from August 01, 2022 for the remaining tenure of 1 year and 4 months and all other terms of remuneration remains same as approved by the members in the resolution passed by postal ballot on April 18, 2019. However the limit of maximum payment of fee/remuneration will be suitably modified to not exceed Rs.5,00,00,000 (Rupees Five Crores) in any financial year.

The information as required to be disclosed pursuant to Rule 15 of the Companies (Meetings of the Boards and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 read with SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is detailed herein below.

Information required to be disclosed pursuant to Rule 15 of the Companies (Meetings of the Boards and its Powers) Rules, 2014:-

| | | |
|----|---|--|
| a) | Name of the Related Party | Mr. Viswanath Kompella |
| b) | Name of the Director or Key Managerial Personnel who is related, if any: | No Director and KMP's are related to Mr. Viswanath Kompella |
| c) | Nature of Relationship | Mr. Viswanath Kompella is the founder promoter of the Company and forms part of the promoter group. |
| d) | <p>Nature, material terms, monetary value of the contract or arrangement:-</p> <p>Nature of the Arrangement:</p> <p>Mr. Viswanath Kompella's appointment as "Advisor" shall be in the capacity of an Independent Consultant and not an agent or employee of the Company. He shall advise/ suggest the Board/Company Management on:</p> <p>a) Matters of Corporate Strategy, new business opportunities.</p> <p>b) Be the sounding board for the Company on Company policies/initiatives</p> <p>c) Representing and/or creating strong linkages for the Company on various trade and industry bodies, Govt and semi Govt. organizations and other to promote Company's business.</p> <p>d) Building the Company's image and brand equity.</p> <p>e) Advice the Company's Board in any other areas that the Board/ Company Management may seek from time to time.</p> <p>Material Terms:</p> <p>The revision in fees/ remuneration and appointment, if approved by members, shall be effective from August 01, 2022 for remaining tenure.</p> <p>Monetary Terms:</p> <p>All the monetary terms fixed in the earlier resolution will remain same except that he will be eligible for variable pay at 0.50% on consolidated turnover of the Company.</p> <p>However the limit of maximum payment of fee/remuneration will be suitably modified to not exceed Rs.5,00,00,000 (Rupees Five Crores) in any financial year.</p> | |
| e) | Any other information relevant or important for the members to take a decision on the proposed resolution | As required under the SEBI (LODR) Regulations, 2015, all persons belonging to promoters and persons acting in concert with promoters are termed as Related Parties and therefore, shall abstain from voting on the resolution. |

Additional Information required to be disclosed pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 read with SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021:

| | | |
|----|---|--|
| a) | A summary of the information provided by the management of the listed entity to the Audit Committee | <p>Brief summary of the information provided to the Audit Committee is as under:</p> <p>1. Type, material terms and particulars of the proposed transaction:</p> <p>Type and Particulars of Transaction – The transaction pertains to the appointment to any office or place of profit in the Company in terms of Section 188 (1) (f) of the Companies Act, 2013.</p> <p>Material Terms – The transaction is for revision in fees/ remuneration to Mr. Viswanath Kompella, for increase in variable pay at 0.50% on consolidated turnover of the Company effective from August 01, 2022</p> <p>2. Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise): Mr. Viswanath Kompella is the founder promoter of the Company and forms part of the promoter group of the listed entity and its subsidiary companies and is financially interested.</p> <p>3. Tenure of the proposed transaction: The proposed transaction is for a period of 1 year and 4 months.</p> <p>4. Value of the proposed transaction: The proposed transaction is for revision in the existing remuneration as approved by the members on April 18, 2019 for to include variable pay at 0.50% on consolidated turnover of the Company</p> |
|----|---|--|

| | | |
|----|---|--|
| | | The Audit Committee of the Company comprises of maximum Independent Directors as Members which helps in providing an objective judgement to all transactions proposed for approval. |
| b) | Justification for why the proposed transaction is in the interest of the listed entity | Mr. Viswanath Kompella, is a Promoter of the Company who has been associated with the Company since its inception and as he shall continue to advise the Board and the Management in the broad strategic aspects, diversification of and growth of the business, supporting in establishing and aiding relationships with external forums, the proposed transaction is in interest of the Company. |
| c) | Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary | No |
| d) | A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders | Not applicable |
| e) | Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis | Not applicable |
| f) | Any other information that may be relevant | All relevant/ important information forms a part of this Explanatory statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013. |

The revised Letter of appointment of Mr. Viswanath Kompella setting out the terms and conditions of appointment shall be available for inspection by members electronically. Members seeking to inspect the same can send an e-mail to investor@virinchi.com.

The Board recommends the Special Resolution set out in Item No. 3 for approval by the shareholders.

Memorandum of Interest:

Mr. Viswanth Kompella and his relatives, are interested in the Resolution.

None of the other Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise in the aforesaid resolution.

Mr. Viswanth Kompella is not related to any of the Directors or Key Managerial Personnel of the Company.

**By Order of the Board
For Virinchi Limited**

**Place: Hyderabad
Date: July 12, 2022**

**K. Ravindranath Tagore
Company Secretary
M.No: A18894**

Annexure

Brief Profile and other details, as required pursuant to the Regulation 36 (3) of the Listing Regulations and Secretarial Standards-2 are given below:

| Particulars | |
|---|--|
| Name of Director | Mrs. Kunda Kalpana |
| Designation | Non-Executive- Independent Director |
| DIN | 07328517 |
| Date of Birth | August 28, 1982 |
| Date of Initial Appointment | Appointed in 28 th AGM held on September 28, 2017 for a period of 5 years w.e.f. August 28, 2017 |
| Qualifications: | M.Sc- Bio Tech |
| Expertise in Specific Functional Areas: | <p>She is a Post Graduate (M.Sc Bio-Technology) from Bangalore University possessing rich experience of over 10 years in fields of Teaching and Scientific Data Research Analysis and Clinical Data Management.</p> <p>She has previously worked as a Senior Lecturer in Bio-Technology Department for Under Graduate and Post Graduate students and also served as Vice President for Clinnova Research Labs (P) Limited.</p> |
| Number of shares held in the company | Nil |
| Relationship between directors inter-se | There is no relationship with other directors on the board. |

Details of Directorship and Chairmanship/Membership in Audit Committee and Stakeholders Relationship Committee

| Name of Company | Chairmanship/ Directorship | Committee | Chairman/ Member |
|---|---|---|-----------------------------|
| Virinchi Limited (Listed) | Non-Executive- Independent Director | Audit Committee Stakeholders Relationship Committee | Member Member |
| Vivo Bio Tech Limited (Listed) | Non-Executive- Independent Director | Audit Committee Stakeholders Relationship Committee | Member Member |
| Kellton Tech Solutions Limited (Listed) | Non-Executive- Independent Director | Nil | Nil |

****Note:***

a. Includes only public limited companies & Section 8 companies as defined in the Companies Act, 2013.

b. She has not resigned as a Director on listed entities in the past three years.

**By Order of the Board
For Virinchi Limited**

**Place: Hyderabad
Date: July 12, 2022**

**K. Ravindranath Tagore
Company Secretary
M.No: A18894**