



**ASIRVAD MICROFINANCE LTD.**

Subsidiary of MANAPPURAM FINANCE LTD.

Regd. Off.: 1<sup>st</sup> Floor, Desabandhu Plaza, 47, Whites Road, Royapettah, Chennai – 14.

CIN No.U65923TN2007PLC064550

Website: [www.asirvadmicrofinance.co.in](http://www.asirvadmicrofinance.co.in)

Tel.: 044 4212 4493 Email: [anup.gupta@asirvad.in](mailto:anup.gupta@asirvad.in)

NOTICE IS HEREBY GIVEN THAT 2/2018-19 EXTRA-ORDINARY GENERAL MEETING OF THE MEMBERS OF ASIRVAD MICRO FINANCE LIMITED WILL BE HELD ON SATURDAY, 16TH MARCH, 2019 AT 4.00 P.M. AT BLU RADISSION GRT, MEENAMBAKKAM, CHENNAI TO TRANSACT THE FOLLOWING SPECIAL BUSINESS ITEMS.

**SPECIAL BUSINESS:**

**1. APPOINTMENT OF MRS. PUSHYA SITARAMAN AS INDEPENDENT DIRECTOR OF THE COMPANY:**

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

“RESOLVED THAT pursuant to provisions of Sections 149, 152, Schedule IV and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and in term of Article of Association of the Company, the consent of the members be and are hereby accorded to approve the appointment of Mrs. Pushya Sitaraman ( DIN- 06537196) as Independent Director of the Company, who is appointed as Additional Director and Independent Director by the Board on recommendation of Compensation

Committee pursuant to Section 149, 161 and other applicable provisions, if any Companies Act, 2013, for a period of 3 (three) years effective from February 2, 2019 and shall be not liable to retire by rotation.”

“**RESOLVED FURTHER THAT** Mr. S.V. Raja Vaidyanathan and/or the Company Secretary, be and are hereby severally authorized to file necessary form with Registrar of Companies, Chennai and do all such acts, deeds and things and execute all such deeds, documents and instruments in writings as may be necessary and incidental for giving effect to the above.”

2. **TO CONSIDER AND APPROVE THE INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY:**

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

“**RESOLVED THAT** pursuant to the provisions of Section 61 and all other applicable provisions of the Companies Act, 2013, if any, and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in term of Article of Association of the Company, the consent of the Members be and are hereby accorded to increase the Authorised Share Capital of the Company from the existing Rs. 70,00,00,000 (Rupees Seventy Crores only) divided into 6,00,00,000 (Six Crores) Equity Shares of Rs. 10 (Rupees Ten ) each and 10,00,000 ( Ten Lakhs) Preference Shares of Rs. 100 (Rupees Hundred each) to Rs. 100,00,00,000 (Rupees Hundred Crores) divided into 9,00,00,000 (Nine Crores) Equity Shares of Rs.10 (Rupees Ten) each and 10,00,000 ( Ten Lakhs) Preference Shares of Rs. 100 (Rupees Hundred each) by the creation of additional equity capital of Rs. 30,00,00,000.00 (Rupees Thirty Crores) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs. 10 (Rupees Ten) each ranking pari-passu with the existing shareholders of the Company.”

“RESOLVED FURTHER THAT Mr. S.V. Raja Vaidyanathan, Managing Director and/or the Company Secretary, be and are hereby severally authorized to file necessary form with Registrar of Companies Chennai, and do all such acts, deeds and things and execute all such deeds, documents and instruments and writings as may be necessary and incidental for giving effect to the above.”

3. TO CONSIDER AND APPROVE THE ALTERATION OF CAPITAL CLAUSE IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY:

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

“RESOLVED THAT pursuant to the provisions of Sections 13 and other applicable provisions of the Companies Act, 2013, if any and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in term of Article of Association (AOA) of the Company, the consent of the Members be and are hereby accorded to alter the Clause V of Memorandum of Association of the Company and be and is hereby substituted with the following Clause:

- V) “The Authorised Share Capital of the Company is Rs. 100,00,00,000 (Rupees Hundred Crore) divided into 9,00,00,000 (Nine Crore) Equity Shares of Rs.10 (Rupees Ten) each and 10,00,000 (Ten Lakhs) Preference Share of Rs. 100 (Rupees Hundred) each with the power of the Company to increase or reduce, its Share Capital from time to time and to vary, modify or imposed any such right, privileges of conditions or restrictions in such manner as may for the time being as permitted by the Articles of Association of the Company.”

**“RESOLVED FURTHER THAT** Mr. S.V. Raja Vaidyanathan, Managing Director and/or the Company Secretary, be and are hereby severally authorized to file necessary form with Registrar of Companies Chennai, and do all such acts, deeds and things and execute all such deeds, documents and instruments and writings as may be necessary and incidental for giving effect to the above.”

4. **TO APPROVE THE PAYMENT OF COMMISSION TO NON-EXECUTIVE NON INDEPENDENT DIRECTOR AND INDEPENDENT DIRECTORS OF THE COMPANY:**

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

**“RESOLVED THAT** pursuant to provisions of Section 197 of the Companies Act, 2013, read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in term of Article of Association of the Company ( AOA) , the members be and are hereby approves to pay commission, in addition to sitting fee for attending Board and Committee Meetings, to all Independent Directors and Mr. Gautam Saigal, Non- Executive Non- Independent Director of the Company as determine by the Board, for FY 2018-19, but such commission shall not exceed Rs. 10.00 lakh (Rupees Ten Lakh Only) per Director ”

**“RESOLVED FURTHER THAT** Mr. S.V. Raja Vaidyanathan, Managing Director and/or the Company Secretary, be and are hereby severally authorized to file necessary form with Registrar of Companies Chennai, and do all such acts, deeds and things and execute all such deeds, documents and instruments and writings as may be necessary and incidental for giving effect to the above.”

5. TO APPROVE THE ALTERATION OF CLAUSE 79 "THE SEAL" IN THE ARTICLE OF ASSOCIATION ( AOA ) OF THE COMPANY:

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

**"RESOLVED THAT** pursuant to the provisions of Sections 14 and other applicable provisions of the Companies Act, 2013, if any and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent of the Members be and is hereby accorded to alter Clause 79(ii) of Article of Association of the Company and be substituted with the following new Clause:

**The Seal**

79 (ii) "The seal of the Company shall not be affixed to any instruments except by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf, and except in the presence of at least one Director and of the Company Secretary or other person as the Board may appoint / authorize for the purpose; and those one Director and the Secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence."

**"RESOLVED FURTHER THAT** Mr. S.V. Raja Vaidyanathan, Managing Director and/or the Company Secretary, be and are hereby severally authorized to file necessary form with Registrar of Companies Chennai, and do all such acts, deeds and things and execute all such deeds, documents and instruments and writings as may be necessary and incidental for giving effect to the above."

**6. TO ENHANCE THE BORROWING POWER OF THE COMPANY FROM RS.4,000.00 TO RS.6,000.00 CRORE.**

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

“**RESOLVED** that pursuant to the provisions of Section 180(1)( c) of the Companies Act, 2013, and other applicable provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors to raise or borrow from time to time such sum or sums ,together with moneys already borrowed by the Company , as they may deem appropriate for the purpose of the Company from any Bank(s) , Public Financial Institution(s) ,non banking finance companies, co-operative banks, investment institutions, banks, mutual funds, and other bodies corporate or any Foreign Financial Institution(s) and/or any other entity / entities or authority / authorities either in Indian Rupees or equivalent thereof in any foreign currency(ies), whether by way of advances, loans, issue of debentures/bonds and/or other instruments however, that the total borrowings may exceed the aggregate of paid-up capital , free reserves and securities premium of the company, provided that the outstanding amount so borrowed at any time (apart from temporary loans obtained from the company’s bankers in the ordinary course of business) shall not exceed an amount of Rs. 6,000 Crores (Rupees Six Thousands Crores Only)”

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to any member the Borrowing Committee or to any Committee of Directors or to any officer or officers of the Company to give effect to this resolution.”

**7. CREATION OF CHARGE ON THE ASSETS OF THE COMPANY.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors of the Company or the Committee of the Board to create such charges, mortgages, hypothecations in all or any part of movable or immovable properties of the

Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of Banks, Financial Institutions, any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that maximum amount of the indebtedness secured by the properties of the Company does not exceed Rs.6,000 Crores (Rupees Six Thousand Crores Only) at any time.

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to any member the Borrowing Committee or to any Committee of Directors or to any officer or officers of the Company to give effect to this resolution.”

8. **OFFER OR INVITE SUBSCRIPTION FOR NON-CONVERTIBLE DEBENTURES (NCD) AND COMMERCIAL PAPER (CP)**

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

**“RESOLVED THAT** pursuant to section 42, 71, 179 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules under the Companies Act,

2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Issuance of Non-Convertible Debentures (Reserve Bank) Directions, 2010 (as amended from time to time) issued by the Reserve Bank of India (NCD Directions), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (as amended from time to time) (Debt Listing Regulations), and in accordance with the Memorandum of Association and Articles of Association of the Company, and listing agreements to be entered into with BSE Limited and / or NSE (Stock Exchange) where the non-convertible debentures of the Company are proposed to be listed, and subject to approvals, consents, sanctions, permissions as may be necessary from the Securities and Exchange Board of India (SEBI), the Stock Exchanges, all other appropriate statutory and regulatory authorities,, the approval of members be and are hereby accorded to the Board of Directors of the Company (hereinafter referred as "the Board" which term shall be deemed to include any Committee therefor) and the Board is authorized to offer or invite/ issue subscriptions for all kinds and types of Non-Convertible Debentures (NCDs) up to an amount of Rs.2,000.00 crore ( Rupees Two Thousand Crore Only) and Commercial Paper up to an amount of Rs.1,000.00 crore ( Rupees One Thousand Crore only) on Private Placement basis, in or more tranches, on such terms and conditions as the Board of Directors (which term shall be deemed to include Borrowing Committee of the Board or any other committee which may be constituted/authorized for this purpose) may, from time to time, determine and consider proper and most beneficial to the Company"

**"RESOLVED FURTHER THAT** these borrowing shall be within the overall borrowings limit of Rs.6,000.00 Crore (Rupees Six Thousand Crore Only)".

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby instructed to act upon the resolution within a period of 12 months and that the



any directors be and is hereby authorized to take such steps as may be necessary to give effect to this resolution”.

“**RESOLVED FURTHER THAT** for the purpose of giving effect to any issue or allotment of Debentures of the Company, the Board of Directors be and is hereby authorized on behalf of the Company to take all such actions and do all such deeds, matters, and things as it may, in its absolute discretion, deem necessary, desirable or expedient and to settle any question, difficulties or doubts that may arise in this regard including but not limited to the offering, issue and allotment of debentures of the Company as it may in its absolute discretion deem fit and proper”

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to any member the Borrowing Committee or to any Committee of Directors or to any officer or officers of the Company to give effect to this resolution.”

9. **APPROVAL FOR ASIRVAD EMPLOYEE STOCK OPTION SCHEME- 2019 (“ESOS 2019)**

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 Section 62(1)(b) and other applicable provisions of the Companies Act, 2013, read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for time being in force) and provisions contained in the Memorandum of Association and the Articles of Association of the Company and subject to such approval(s) / consent(s) / permission(s) / sanction(s), as may be required, from the appropriate regulatory authorities / institutions / bodies including Reserve Bank of India, and further subject to such terms and conditions as may be prescribed while granting such approval(s) / consent(s) / permission(s) / sanction(s), and which

may be agreed to and accepted by the Board of Directors (hereinafter referred to as the “**Board**” which term shall be deemed to include the Compensation Committee (“**CC**”) constituted by the Board, for the time being exercising the powers conferred on the Board by this Resolution), consent of the Members of the Company be and are hereby accorded to introduce and implement “Asirvad’s Employee Stock Option Scheme, 2019” (“**ESOS 2019**”) and to create, grant, offer, issue and allot, at any time, to the present and / or future permanent employees of the Company working in India and/ or Directors (excluding Independent directors) of the Company (hereinafter referred to as “**employees**” or “**said employees**”) under ESOS 2019, not exceeding 2 % of the paid up capital, from time to time, as stock option, payable in one or more tranches at a price, shall be fixed or determined by the Compensation Committee from time to time in accordance with the Act and provisions of ESOS 2019;”

“**RESOLVED FURTHER THAT** without prejudice to the generality of the above but subject to the terms mentioned in the Explanatory Statement, annexed to the Notice convening this Meeting, which requires Members approval, the Board or Compensation Committee be and is hereby authorized to formulate, evolve, decide upon, administer, superintend and implement ESOS 2019, as the Board in its absolute discretion deems fit, and as per draft submitted to this Meeting;”

“**RESOLVED FURTHER THAT** the Compensation Committee be and is hereby authorized to issue and allot equity shares upon exercise of stock options, from time to time, granted under ESOS 2019 and such equity shares allotted shall in all respects rank *pari passu* inter-se and with the then existing equity shares of the Company;”

“**RESOLVED FURTHER THAT** the Company shall conform to the Accounting Standards & Tax policies as applicable to the Company while implementing the scheme, from time to time”.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorize to amend, modify any or all of the Scheme and empower withdraw/ abolish the said scheme”

**“RESOLVED FURTHER THAT** Mr. S.V. Raja Vaidyanathan, Managing Director and/or the Company Secretary, be and are hereby severally authorized to file necessary form with Registrar of Companies, Chennai and do all such acts, deeds and things and execute all such deeds, documents and instruments in writings as may be necessary and incidental for giving effect to the above.”

By the order of the Board  
For, Asirvad Micro Finance Limited

Sd/-  
Company Secretary

**Date: 22.02.2019**  
**Place: Chennai**

# ASIRVAD MICROFINANCE LIMITED

Regd. Off.: 1<sup>st</sup> Floor, Desabandhu Plaza, 47, Whites Road, Royapettah, Chennai – 14.

CIN No.U65923TN2007PLC064550

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Tel.: 044 4212 4493 Email: [info@asirvad.org](mailto:info@asirvad.org)

## Notes:

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the businesses as set out in the Notice of Extraordinary General Meeting (“EGM Notice”) is annexed hereto and forms part of the EGM Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. The form of proxy to be valid should be duly completed, stamped and signed and must be deposited with the Company at least 48 hours before the time scheduled for the Meeting.

Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

4. Members are requested to register the changes, from time to time, in their email-address with the Company to enable the Company to service various notice(s), reports, documents, etc. in the electronic mode.
5. Corporate Members intending to send their authorised representative(s) to attend the Extraordinary General Meeting are requested to send a certified

copy of the board resolution authorizing their representative(s) to attend and vote on their behalf at the Extraordinary General Meeting pursuant to the provisions of Section 113 of the Companies Act, 2013.

6. Brief details of the Directors, who are seeking appointment, are annexed hereto as per the clause 1.2.5 of Secretarial Standard 2 issued by ICSI.
7. All relevant documents referred to in the EGM Notice and the Explanatory Statement will be available for inspection by the Members at the Corporate Office of the Company during normal business hours on all working days (except 2<sup>nd</sup> & 4<sup>th</sup> Saturday(s), Sunday(s) and Public Holiday(s) up to the date of the Extraordinary General Meeting and during the continuance of the Extraordinary General Meeting.
8. Members / Proxies / Authorised Representative(s) of the Corporate Members are requested to bring the Attendance Slip duly filled in.
9. EGM Notice along with the Attendance Slip and Proxy Form is being sent by electronic mail/ registered post/ speed post etc. to all the Members whose email addresses are registered with the Company unless a Member has requested for a hard copy of the same.
10. EGM Notice will also be available on the website of the Company **[www.asirvadmicrofinance.co.in](http://www.asirvadmicrofinance.co.in)**.
11. Route map for venue of the meeting is enclosed.

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

**ITEM No. -1**

Based on the recommendation of Compensation Committee, the Board of Directors of the Company, in its meeting held on 2<sup>nd</sup> February, 2019, appointed

Mrs. Pushya Sitaraman as an Additional and Independent Director of the Company on the recommendation of the Compensation Committee.

Mrs. Pushya Sitaraman has given a declaration to the Board that she meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, she fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and she is independent of the Management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mrs. Pushya Sitaraman as Independent Director is now being placed before the members for approval.

The terms and conditions of appointment of the aforesaid Director shall be open for inspection by the members at the Registered Office of the Company during normal business hours on any working day excluding Saturday.

A brief profile of the Independent Director is given below:

Mrs. Pushya Sitaraman, aged 65, graduated from Stella Maris College and holds law degree from Madras Law College. She is a designated Senior Advocate of the Madras High Court and has been practicing as an advocate for over 35 years, specializing largely in the field of taxation and corporate laws.

Mrs. Pushya Sitaraman underwent mediation training with Geetha Ravindra of the Virginia Supreme Court and further advanced training with her. Also underwent basic, advanced and trainers' training with the ADR Group of UK. She has been actively mediating disputes referred by the Madras High Court with the Tamilnadu Mediation and Conciliation Centre, attached to the Madras High Court for nearly ten years.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, as set out at Item No. 1 of this EGM.

### **ITEM No. -2 & 3**

Presently, the Authorised Share Capital of the Company stood at Rs. 70,00,00,000 (Rupees Seventy Crore Only) divided into 6,00,00,000 ( Six Crore) Equity Shares of Rs. 10 (Rupees Ten) each and 10,00,000 (Ten Lakhs ) Preference Shares of Rs. 100 (Rupees Hundred ) each.

In order to meet its business objectives, it is proposed to increase the Authorised Share Capital of the Company from Rs. 70,00,00,000 (Rupees Seventy Crore Only) divided into 6,00,00,000 (Six Crore) Equity Shares of Rs. 10 (Rupees Ten) each and 10,00,000 (Ten Lakhs) Preference Share of Rs. 100 (Rupees Hundred) each to Rs.100,00,00,000 (Rupees Hundred Crore) divided into 9,00,00,000 (Nine Crore) Equity Shares of Rs.10 (Rupees Ten) and 10,00,000 (Ten Lakhs) Preference Share of Rs. 100 (Rupees Hundred) each by the creation of additional Equity share capital of Rs. 30,00,00,000 (Rupees Thirty Crore) divided into 3,00,00,000 (Seven Lakh Fifty Thousand) Equity Shares of Rs. 10 (Rupees Ten) each.

Subsequent to the increase in the Authorized Share Capital, Clause V of the Memorandum of Association of the Company is also required to be altered by passing the necessary Resolutions in the Extraordinary General Meeting of the Members of the Company.

Your Directors recommend the passing of the Resolutions at Item Nos. 2 and 3, as Ordinary Resolution respectively.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the Resolutions as set out at Item Nos. 2 and 3 of the Notice.

The Memorandum and Articles of Association of the Company are open for inspection of the members at the Corporate Office of the Company during the normal business hours at any time upto the date of the Extraordinary General Meeting.

**ITEM No. -4**

Considering the responsibilities entrusted upon Non-Executive Directors and Independent Directors under the law particularly with the requirements of the Corporate Laws and the time devoted and the contribution made by them in the growth of Company, the Board of Directors of the Company at its meeting held on 2<sup>nd</sup> February, 2019 , on the recommendation of Compensation Committee the Board of Directors of the Company, have approved the payment of commission to its Independent Directors & Non- Executive Director of the Company for FY 2018-19, but such commission shall not exceed Rs. 10.00 lakh (Rupees Ten Lakh Only) per Director.

Independent Directors and Mr. Gautam Saigal, Non- Executive Non Independent Director are interested in this Resolution in so far as the same relates to their respective commission, other than that none of the Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution

Your Directors recommend the passing of this Resolutions, as Special Resolution.

**ITEM-5.**

The existing Clause 79 (ii) of the Article of Association (AOA) of the Company contain the provision to affix **Common Seal** of the Company with the authority of the Board / Committee on any instruments/ documents to be executed on behalf of the Company, in the presence of at least two Directors and Company Secretary or any other person as Board may appoint for the purpose.



Since, your Company is a NBFC- MFI where most of the transactions involve borrowing from Banks and others lenders and while execution of documents on

behalf of the Company requires affixing "Common Seal" in the presence of two Directors as per the existing Articles. Sometime execution of documents gets delayed due to non - availability of two Director at a time, which delay in getting fund.

The Board in its meeting held on dated 02.02.2019 has accorded its consent to alter the Clause 79(ii) of the Article of Association.

The board recommend the approval of members for this resolution as Special Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, as set out at Item No. 5 of this EGM.

#### **ITEM - 6 & 7**

The members of the Company at their meeting held on 7<sup>TH</sup> August, 2017 had passed resolution authorizing the Board of Directors of the Company to borrow of Rs.4,000.00 crore (Rupees Four Thousand Crore only). The Company is expediting its plan to scale up its business and hence it is considered necessary to increase the limits for borrowing of funds from Rs.4,000.00 crore to Rs.6,000.00 crore.

Similarly, the said borrowing may be required to be secured by way of mortgage/ charge over all or any part of the movable or immovable property of the Company and as per section 180(1) (a) of the Companies Act, 2013. This requires the approval of shareholders.

The Board commends the Special Resolution set out at Item No. 6 & 7 of the Notice for approval of Members.

None of the Directors / KMP of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution, set out at item No. 6 & 7 of the Notice respectively.

#### **ITEM NO. 8**

In terms of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013, a Company may, subject to the provisions of that section, make an offer or invitation for subscription of securities including non-convertible debentures, commercial papers or any other debt securities by way of private placement. Further, in terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions, if any, of the said Act, Directions/Guidelines by the Regulators or any other statutory authorities issued from time to time, a Company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the shareholders of the Company by a Special Resolution, for each of the offers or invitations. In case of an offer or invitation for subscription to the Non-Convertible Debentures (NCD), it shall be sufficient if the Company passes a previous Special Resolution only once in a year for all the offers or invitation for such debentures during the year.

Keeping in view the increasing volume of business of the Company, the need to diversify the sources of funding and the cost of each of the sources and subject to the provisions of Section 42 of Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions, if any, of the said Act, Directions/Guidelines by the Regulators or any other statutory authorities issued from time to time, your Company intends to offer or invite subscription to Non-convertible Debentures up to an amount of Rs 2,000 Crore (Rupees Two Thousand Crore only) and Commercial paper up to an amount of Rs 1,000 Crore (Rupees One Thousand Crore only) on private placement basis for a period of 12 months, in one or more tranches, subject to the condition that the amount accepted in the form of the said Non-Convertible Debentures and Commercial paper together with the existing borrowings and future borrowings would be within the limits specified by the members under section 180(1) (c) of "the Act". The terms of issue of the above

Non-Convertible Debentures would depend upon the requirement of the funds, time of issue, market conditions and alternative sources of funds available to the Company and would be decided by the company in consultation with the

merchant bankers / arrangers, if any appointed by the Company for the purpose. All the required details/ disclosures relating to the issue would be made available in the respective information memorandum. In order to issue Non-Convertible Debentures by way of an offer or invitation for subscription on private placement and in terms of the above mentioned provisions of "the Act" and rules, subject to Directions/ Guidelines by the Regulators or any other statutory authorities issued from time to time, the prior consent of the members is sought by way of a Special Resolution.

Your Directors recommend the passing of the resolution proposed at Item No.8 of the Notice.

None of the Directors or any key managerial personnel or the relatives of the Directors or Key Managerial Personnel are in any way concerned or interested, financially or otherwise, in the said resolution.

#### **ITEM NO.9**

Members are requested to note that the success of the Company's objectives is largely determined by the quality of its work force and their commitment to achieve Company's objectives. It is recognized that not only good employment opportunities but also additional motivating mechanisms are needed to incentivize employees and aligning their interest with the interest of the Company.

Members are requested to note that in light of Company's pace of growth, increase in scope of business volume and operations and to improve the employees quality of work and commitment to achieve Company's objectives, the Board of Directors of the Company, on recommendation of the Compensation

Committee, at their meeting held on 02/02/2019 approved introduction of new employee stock option scheme titled as “Asirvad ESOS 2019” , to create and grant stock options not exceeding 2 % of the paid up capital as stock option at a price

determine by the Board or CC from time to time, with an objective to attract, retain, motivate and incentivize employees.

The Broad features of ASIRVAD ESOS 2019 are as under:

Total number of stock options to be granted	Maximum of 2 % of paid up Capital of the Company from time to time.
Identification of classes of Employees entitled to participate in the ASIRVAD ESOS 2019	<ol style="list-style-type: none"> <li>1. Permanent Employee (excluding employee who is promoter or belongs to promoter group) working in India.</li> <li>2. Directors (excluding Independent Director or Director holding himself or through relatives directly or indirectly more than 10% equity shares.</li> </ol>
Appraisal process for determining the eligibility of employees to the Scheme	To be decided by the Compensation Committee.
Requirements of vesting and vesting period	As determined by the Compensation Committee in accordance with the Scheme. Provided that there shall be a minimum period of 1 year between the grant of options and vesting of options.
Maximum period within which the options shall be vested	3 Years
Exercise price or the formula for arriving at the exercise price	As determined by the Compensation Committee in accordance with the

	ESOS 2019.
Exercise period and Exercise Process	As per the scheme.
Lock-in period	No lock in period
Maximum number of options to be granted per employee and in aggregate	The maximum number of options that can be granted to any eligible employee during any one year shall not equal or exceeds one percent of the issued capital of the Company at the time of grant of options.
Method which the company shall use to value its options	As determined by the Compensation Committee in accordance with the ESOS 2019.
Conditions under which options vested in employee(s) may lapse	Resignation, termination or discharge, dismissal from employment as decided by Board or CC
Specified Time Period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee	Maximum of 90 days from the last working days.

Members are requested to note that the Company shall conform to the Accounting Standards & Tax Policies as applicable to the Company, from time to time.

Members are requested to note that the draft of the “Asirvad ESOS 2019 “ shall be open for inspection by the Members at the Corporate Office of the Company during normal business hours on all working days (i.e., except 2<sup>nd</sup> & 4<sup>th</sup>

Saturday(s), Sunday(s) and Public Holiday(s) up to the date of the Extraordinary General Meeting and during the continuance of the Extraordinary General Meeting.

Members are requested to note that it is proposed to seek the approval of the Members of the Company in terms of Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 for the introduction and implementation of the "Asirvad ESOS 2019"

The Board recommends the Resolution(s) set out at Item No. 9 of this EGM Notice to the Members for their consideration and approval, by way of Special Resolution(s). None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution(s) set out at Item No. 9 of this EGM Notice, except to the extent of the options / equity shares that may be granted / offered to them under the "Asirvad ESOS 2019".

By the order of the Board  
For, Asirvad Micro Finance Limited

Sd/-  
Company Secretary

**Date: 22.02.2019**

Place: Chennai

## **ASIRVAD MICROFINANCE LIMITED**

Regd. Off.: 1<sup>st</sup> Floor, Desabandhu Plaza, 47, Whites Road, Royapettah,  
Chennai - 600 014.

CIN No.U65923TN2007PLC064550

Website: [www.asirvadmicrofinance.co.in](http://www.asirvadmicrofinance.co.in)

Tel.: 044 4212 4493 Email: [info@asirvad.org](mailto:info@asirvad.org)

### **ATTENDANCE SLIP**

Registered Folio / DP ID and Client ID	
Name and address of the shareholder(s)	
Joint Holder 1	
Joint Holder 2	

I / We, \_\_\_\_\_, being a member(s) of **Asirvad MicroFinance Ltd** hereby record my / our presence at an EXTRAORDINARY GENERAL MEETING of the Company being held on Saturday, 16<sup>th</sup> March, 2019 at BLU Radission GRT, Meenambakkam, Chennai at 4.00 p.m.

Signature: \_\_\_\_\_

Date:

# ASIRVAD MICROFINANCE LIMITED

Regd. Off.: 1<sup>st</sup> Floor, Desabandhu Plaza, 47, Whites Road, Royapettah,  
Chennai – 600 014.

CIN No.U65923TN2007PLC064550

Website: www.asirvadmicrofinance.co.in

Tel.: 044 4212 4493 Email: info@asirvad.org

## Form No. MGT-11

### Proxy form

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the  
Companies (Management and Administration) Rules, 2014]*

CIN: U65923TN2007PLC064550

Name of the Company: **Asirvad MicroFinance Limited**

Registered Office: 1<sup>st</sup> Floor, Desabandhu Plaza, 47, Whites Road, Royapettah,  
Chennai – 600 014.

Name of the Member (s):

Registered address :

E-mail Id:

Folio No/ Client Id :

DP ID :

I/We, being the member (s) of ..... shares of the above named company, hereby  
appoint

1. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
Signature: \_\_\_\_\_

Or Failing him

2. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our  
behalf at the Extraordinary General Meeting of the Company, to be held on



Saturday 16<sup>th</sup> March, 2019 at 4.00 p.m. at Blu Radission GRT, Meenambakkam, Chennai and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolutions	Optional	
	For	Against
1. Appointment of Mrs. Pushya Sitaraman as Independent Director of the Company.		
2. To consider and approve the increase in Authorised Share Capital of the Company.		
3. To Consider and Approve the Alteration of Capital Clause in the Memorandum of Association of the Company.		
4. To approve the payment of Commission to Non-Executive Non- Independent Directors of the Company.		
5. To Approve the Alteration of Clause 79 "The Seal" in the Article of Association of the Company.		
6. To enhance the Borrowing power of the Company from Rs. 4000 Crores to Rs. 6000 Crores.		
7. Creation of Charges on the Assets of the Company.		
8. Offer or Invite Subscription for Non- Convertible Debenture (NCD) and Commercial Paper(CP)		
9. Approval for Asirvad Employee Stock Option Scheme- 2019 (ESOS-2019).		

\_\_\_\_\_  
Signature of Shareholder

Affix Revenue  
Stamp

\_\_\_\_\_  
Signature of Proxy holder(s)

Date:

