

Notice of 02/2023-24 Extra-Ordinary General Meeting

SHORTER NOTICE is hereby given that the 02/ 2023-24 Extra-Ordinary General Meeting of Members of Asirvad Micro Finance Limited will be held on Friday, August 18, 2023, at 11:00 A.M. (IST) through Video Conferencing or Other Audio-Visual Means (OAVM) at Board Room, 4th floor, W - 4/ 638 A Manappuram House, Valapad, Thrissur, Kerala - 680567 to transact the following business:

SPECIAL BUSINESS:

- 1. Sub-Division, reclassification and increase in Authorised Share Capital of the Company and Consequent Alteration of Capital Clause of Memorandum of Association of the Company**

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

“RESOLVED THAT pursuant to the provisions of Sections 61 and 64 and all other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules framed there under, including any statutory modification (s) or re-enactment thereof, for the time being in force, and in accordance with the applicable provisions of the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded

- a. to sub-divide the existing Authorised Preference Share Capital of the Company from Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 10,00,000 (Ten Lakhs) Preference Shares of Rs. 100/- (Rupees Hundred Only) each to Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 1,00,00,000 (One Crore) Preference Shares of Rs. 10/- (Rupees Ten Only) each
- b. to reclassify the sub-divided Authorized Preference Share Capital of the Company amounting to Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 1,00,00,000 (One Crore) Preference Shares of Rs. 10/- (Rupees Ten Only) each to 1,00,00,000

(One Crore) Equity Shares each of Rs. 10/- (Rupees Ten only) such that the entire authorised share capital as per Para V of the Memorandum of Association of the Company shall be Rs. 1,00,00,00,000 (Rupees Hundred Crore only) divided into 10,00,00,000 (Ten Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

- c. to further increase the Authorized Share Capital of the Company from Rs. 1,00,00,00,000/- (Rupees Hundred Crore Only) divided into 10,00,00,000 (Ten Crore Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 3,00,00,00,000 (Rupees Three Hundred Crore Only) divided into 30,00,00,000 (Thirty Crore only) Equity Shares of Rs. 10/- (Rupees Ten Only) each by creation of additional 20,00,00,000 (Twenty crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each ranking pari-passu in all respect with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT pursuant to Section 13 and other applicable provisions, if any, of the Companies Act, 2013, as amended and the rules and regulations made thereunder (including the Companies (Incorporation) Rules, 2014, as amended), the consent and approval of the members of the Company be and is hereby accorded for substituting the existing Clause V of the Memorandum of Association of the Company as under:

- V. The Authorized Share Capital of the Company is Rs. 300,00,00,000/- (Rupees Three Hundred Crores Only) divided into 30,00,00,000 (Thirty Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each with the power of the Company to increase or reduce, its share capital from time to time and to vary, modify or impose 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 the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be required to give effect to this resolution and for matters connected therewith or incidental thereto, including intimating the concerned authorities or other regulatory bodies.”

2. Approval of issue of Bonus Shares to the Existing Shareholders of the Company

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

“RESOLVED THAT, pursuant to the provisions of Section 63 of the Companies Act, 2013 read with Rule 14 of the Companies (Share Capital & Debentures) Rules, 2014 (including any statutory modification (s) or re-enactment thereof, for the time being in force) and enabling provisions including Article 39 of the Articles of Association of the Company and subject to such permissions, sanctions and approvals as may be required in this regard and based on the recommendation of the Board of Directors of the Company, consent of the Members be and is hereby accorded to the Board for capitalization of such sum standing to the credit of the free reserves, securities premium account or capital redemption reserve account of the Company, as may be considered necessary by the Board, for issue of upto 133,522,248 bonus equity shares of Rs. 10- (Rupees Ten only) each (**“Bonus Shares”**), credited as fully paid-up shares to the existing equity shareholders of the Company, in the proportion of 2 (Two) Bonus Shares for every 1 (one) equity share held by the Members of the Company whose names appear in the Register of Members maintained by the Company/ List of Beneficial Owners of the Depository as on the Record Date i.e., August 25, 2023 and that the Bonus Shares so issued and allotted shall, for all purposes, be treated as an increase in the paid-up capital of the Company held by each such Member.

RESOLVED FURTHER THAT, the Bonus Shares so issued shall rank pari-passu in all respects and carry the same rights with the existing equity shares of the Company in all respects with the existing fully paid-up equity shares of the Company and shall always be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors or any officer(s) authorized by the Board of Directors, be and are hereby authorized to do all such acts, deeds, matters and things whatsoever, including settling any question, doubt or difficulties that may arise with regard to or in relation to the issue or allotment of the bonus shares and to accept on behalf of the Company, any conditions, modifications, alterations, changes, variations in this regard as prescribed by the statutory authority(ies) and which the Board / Committee of the Board or any officer(s) authorized by the Board of Directors in its discretion thinks fit and proper.”

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

August 17, 2023
Valapad, Thrissur

Sd/-
Aparna Menon
Company Secretary

NOTES:

1. Explanatory statement as required under Section 102 of the Companies Act, 2013 with respect to Item No.1 and 2 specified above are annexed hereto.
2. The Company has obtained approval from majority in number of members entitled to vote and who represent not less than ninety-five per cent of such part of the paid-up share capital of the company, for convening the 02/2023-24 Extra Ordinary General Meeting on shorter notice.
3. Due to the outbreak of pandemic COVID-19, the Ministry of Corporate Affairs came with its Circular dated April 8, 2020 read with Circulars dated April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, June 23, 2021, December 08, 2021, May 05, 2022 and December 28, 2022 whereby it is permissible to convene the Extra Ordinary General Meeting of the Company through Video Conferencing/ Other Audio Visual Means (OAVM).
4. As the Meeting is proposed to be held through Video Conferencing/ OAVM and the physical presence of Members are not required, therefore, in adherence to aforesaid circulars the proxy facility will not be provided in the present meeting and attendance slips are not attached to this notice.
5. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting in terms of Section 113 of the Companies Act, 2013.
6. The notice is being sent to all the members of the Company, whose names appear on the register of members/ record(s) of depositories as on August 11, 2023
7. Members may also note that the Notice of the 02/2023-24 Extra Ordinary General Meeting will also be available on the Company's website <https://asirvadmicrofinance.co.in> for your download. The Company has a dedicated e-

mail address "sec@asirvad.in" for members to mail their queries or lodge complaints, if any. We will endeavour to reply to your queries at the earliest.

8. Electronic copy of the Notice of the aforesaid Extra Ordinary General Meeting of the Company is being sent to all the Members on their registered mail id.
9. Members can inspect the Memorandum & Articles of Association, Register of Director and key managerial personnel and their shareholding in terms of Section 170 of the Companies Act, 2013, Register of Members & Register of Contract or Arrangements as maintained under Section 88 & 189 of the Companies Act, 2013, respectively, disclosures/ declarations and such other relevant documents through electronic mode and can place the request on sec@asirvad.in in this regard. The same will be available from the date of circulation of notice up to the date of Extra Ordinary General Meeting i.e., August 18, 2023.
10. We urge members to support our commitment to environmental protection by choosing to receive their shareholding communication through email. You can do this by updating your email addresses with your depository participants.
11. Since the meeting is proposed to be held through video conferencing/ OAVM, the route map is not annexed with this Notice.
12. The facility to join the meeting shall be opened at least 15 minutes before the scheduled time and shall not be closed till the expiry of 15 minutes after such scheduled time.
13. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at sec@asirvad.in. The shareholders who do not wish to speak during the EGM but have queries may send their queries prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at sec@asirvad.in. These queries will be

replied to by the Company suitably by email. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

Process for attending the Meeting:

- To attend the meeting through VC mode, a link will be forwarded to your registered e-mail ID.
- The shareholders can use a laptop or an android mobile phone with good internet connectivity to access the link.
- On accessing the link, you will be prompted to enter the Meeting ID and the Password. The meeting ID and the Password will be mailed to you along with the meeting link.
- Upon entering the Meeting ID and Password, you will be connected to the virtual meeting room.
- For any technical support, Members are requested to kindly contact Mr. Joshy on cto@asirvad.in or at the helpline number +91 9745522877.

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

August 17, 2023
Valapad, Thrissur

Sd/-
Aparna Menon
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ATTACHED ALONG WITH THE NOTICE

ITEM NO. 1

The present authorised 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 only) each and 10,00,000 (Ten Lakhs) Preference Share of Rs. 100 (Rupees Hundred only) each.

A separate proposal for issue of bonus shares has been submitted for the approval of Shareholders under item no. 2 of this Notice. Keeping in view the Company's existing and future capital requirements and the RBI's directives on Capital Adequacy, infusion of additional equity share capital is inevitable.

It is proposed to reclassify the existing Authorised Preference Share Capital to as Equity to maintain a single class of shares and increase the existing Authorised Equity Share Capital.

Accordingly, the Board, at its meeting held on August 16, 2023, has recommended the proposal to subdivide and reclassify the preference share capital and have all shares of Authorised Share Capital as equity. Additionally, Board has recommended the proposal to increase the Authorised share Capital from Rs. 100 Crore to Rs. 300 Crore.

None of the Directors or Key Managerial Personnel or their relatives, except to the extent of their shareholding in the Company, if any, is in any way concerned or interested financially or otherwise in the proposed Resolution as set out in the Notice.

The Company has disclosed all the related information and to the best of understanding of the Board of Directors, no other information and facts are required to be disclosed that may enable Members to understand the meaning, scope and implications of the items of business and to take decisions thereon.

In compliance with the General circular number 14/2020 dated April 08, 2020, issued by the MCA, this item is considered unavoidable and forms part of this Notice.

ITEM NO. 2

The Company has performed significantly well both in terms of profit and business in the recent past. Therefore, the Board of Directors of the Company at its meeting held on August 16, 2023, subject to consent of the members of the Company, approved and recommended issue of bonus equity shares of Rs. 10/- (Rupees Ten Only) each credited as fully paid-up to eligible members of the Company in the proportion of 2 (Two) Bonus Shares for every 1 (one) equity share held by the Members of the Company whose names appear in the Register of Members maintained by the Company/ List of Beneficial Owners of the Depository as on the Record Date i.e., August 25, 2023, by capitalising the free reserves, securities premium account or capital redemption reserve account of the Company, as may be considered appropriate.

Article 39 of the Articles of Association of the Company enables capitalisation of profits.

The bonus shares to be issued and allotted shall be subject to the terms of Memorandum & Articles of Association of the Company and shall rank pari passu in all respects with the existing fully paid equity shares of the Company.

Pursuant to the provisions of Section 63 of the Companies Act, 2013, approval of the Members is required for issuance of Bonus Shares to the Members. The Board of Directors is of the opinion that the aforesaid issue of Bonus shares, is in the best interest of the Company and hence recommends passing of the resolutions set out at item no. 2 as Ordinary Resolution.

None of the Directors or Key Managerial Personnel or their relatives, except to the extent of their shareholding in the Company, if any, is in any way concerned or interested financially or otherwise in the proposed Resolution as set out in the Notice.

The Company has disclosed all the related information and to the best of understanding of the Board of Directors, no other information and facts are required to be disclosed that may enable Members to understand the meaning, scope and implications of the items of business and to take decisions thereon.

In compliance with the General circular number 14/2020 dated April 08, 2020, issued by the MCA, this item is considered unavoidable and forms part of this Notice.

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

August 17, 2023
Valapad, Thrissur

Sd/-
Aparna Menon
Company Secretary