



# BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

## NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT FIRST EXTRAORDINARY GENERAL MEETING OF THE MEMBERS OF BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED FOR THE FY 2016-17 WILL BE HELD ON 22<sup>nd</sup> July 2016 THE FRIDAY AT 12.00 NOON AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT OLD NO. 14, NEW NO. 33, 48<sup>TH</sup> STREET, 9<sup>TH</sup> AVENUE, ASHOK NAGAR, CHENNAI – 600 083, TO TRANSACT THE FOLLOWING BUSINESS:

### SPECIAL BUSINESS:

#### 1. PREFERENTIAL ISSUE AND ALLOTMENT OF EQUITY SHARES

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

“RESOLVED THAT pursuant to the provisions of section 42(7), 62(1)(c) and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification thereto or re-enactment thereof for the time being in force)(the “Act”), the Articles of Association of the Company, subject to requisite permissions consents, sanctions and approval if any, or any authority, including Reserve Bank of India (RBI), as may be required and subject to such conditions as may be prescribed by any of them while granting any such approvals, consents, permissions, and/or sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise one or more of its power including the powers conferred hereunder), the consent of the Members be and is hereby accorded to the Board to create, issue, offer, and allot, 88,88,888 nos of Equity shares of face value of Rs. 10/- each (the “Equity Shares”), at a price of Rs.45/- each (Including a Premium of Rs.35/- Per shares) aggregating up to Rs. 40,00,00,000 (Rupees Forty Crore only) to Muthoot Finance Ltd (MFL), a listed Company on preferential basis, at such time or times, in one tranches and on such terms and conditions and in such manner as the Board may think fit in its absolute discretion.”

“RESOLVED FURTHER THAT pursuant to Section 62(1)(c) of the Companies Act, 2013, the Share Valuation report dated 15<sup>th</sup> March 2016, obtained by the Company from M/s. AROCKIASAMY & RAJ Chartered Accountants, Chennai (having Firm Registration Number 06850S) for determination of the share value of the company at Rs.45 per share be and is hereby taken on record”.



CIN No. : U06599TN1988PTC081652

Regd. Off : No. 33, 48th Street, 9th Avenue, Ashok Nagar, Chennai - 600 083.

Phone : +91 - 44 - 43414567 / 45544026 Email : bifpl@belstar.in Web site : www.belstar.in



**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to proceed for issue and allotment of the shares and issue of necessary Offer Letter, and other necessary papers, documents or letters in accordance with the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board/ Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable, incidental and expedient for such purpose, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and utilization of proceeds of the Equity Shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.”

**Notes:**

1. ALL THE MEMBERS ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT ANOTHER MEMBER OR ANY OTHER PERSON, AS PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER. THE PROXIES TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. In case of Corporate Shareholders proposing to participate at the meeting through their representative, necessary authorization under Section 113 of the Companies Act, 2013 for such representation may please be forwarded to the Company.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, is given below and forms part of this notice.

Place : CHENNAI

By Order of the Board of Directors  
For Belstar Investment and Finance Private Limited

Dated : July 20,2016

*Sunil Kumar Sahu*

Sunil Kumar Sahu  
Company Secretary





# BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ANNEXED TO THE NOTICE OF THE FIRST EXTRA ORDINARY ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY

### IN RESPECT OF ITEM NO. 1

The Members are hereby informed that the Board of Directors on 27<sup>th</sup> June 2016, has approved the proposal for raising funds up to Rs. 40,00,00,000 (Rupees Forty Crore only) by way of issue of equity shares on preferential basis to mobilize funds for funding current/future expansion plans/activities of the Company.

As per Section 62 of the Companies Act, 2013, issue of shares to persons other than Share Holders, the approval of shareholders in general meeting by passing a special resolution is required. Therefore, consent of the shareholders by way of Special Resolution is being sought pursuant to the provisions of Sections 42 & 62 and all other applicable provisions of the Companies Act, 2013, read with the Rules made there under, for the issue of 88,88,888 nos of Equity shares of face value of Rs. 10/- each (the "Equity Shares"), at a price of Rs.45/- each (Including a Premium of Rs.35/- Per shares) aggregating up to Rs. 40,00,00,000 (Rupees Forty Crore only), and to offer and allot the Equity Shares to Muthoot Finance Ltd (MFL), a listed Company on a preferential basis on the terms and conditions set out as under:

#### 1. The Objects of the issue through preferential offer:

To augment resources of the Company, to raise funds in the form of equity capital so as to reduce the borrowing cost and also to enhance the debt/ capital raising capacity in order to respond to various opportunities for the further growth of the business of the Company in terms of introduction of new products, and scaling up of existing SHJ/JLG on lending to members, so as to leverage such structure to achieve higher growth in terms of revenue and profit and for general corporate purposes.

#### 2. The total number of shares or other securities to be issued:

The total number of Equity shares to be issued will be 88,88,888 nos

#### 3. Pricing at which the allotment is proposed:

The equity shares will be allotted at face value of Rs. 10/- each (the "Equity Shares"), at a price of Rs.45/- each (Including a Premium of Rs.35/- Per shares)



**4. Basis on which the price has been arrived at along with report of the registered valuer:**

For calculation of fair value of shares the Discounted Cash Flow Method (DCF) method which is one of the internationally accepted methods for valuation of share has been taken into consideration.

The Share Valuation report dated 15th March 2016, obtained by the Company from M/s. AROCKIASAMY & RAJ Chartered Accountants, Chennai (having Firm Registration Number 06850S)

**5. The Relevant date with reference to which the price has been arrived at:**

The Relevant Date as per the Regulations for the determination of issue price of the equity shares pursuant to the aforesaid preferential allotment is fixed as March 15, 2016.

**6. Identity of the proposed Allottees:**

The identity of the natural persons who are the beneficial owners of the Equity Shares proposed to be allotted and/or who ultimately control the proposed allottee is as follows:

Identity of Proposed allottees	Pre-Issue Holding	No of equity shares to be allotted	Issue Price(INR) of equity shares	Post-issue Holding	% Post-issue holding
Muthoot Finance Limited	Nil	88,88,888	Rs. 45 Per equity Share	88,88,888	38.24%

**7. The intention of the Promoters/Directors/Key Management Personnel to subscribe to the offer:**

The Preferential Issue is not being made to the Promoters, Directors or Key Management Personnel of the Company and the Promoters, Directors or Key Management Personnel of the Company do not intend to subscribe to the offer.

**8. The proposed time within which the allotment shall be completed:**

The Company shall complete the allotment of equity shares as aforesaid on or before the expiry of 12 months from the date of passing of the special resolution by the shareholders granting consent for preferential issue at Extraordinary General Meeting





9. The change in control, if any, in the company that would occur consequent to the preferential offer:

Due to the above Preferential offer there is no change control of the Management however the Company has obtained the prior approval from Reserve Bank of India , since the issuance of equity shares results in more than 26% change in management / Control vide the circular date 9<sup>th</sup> July 2015.

10. The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

The Company has not made any preferential issue of securities during the current year.

11. The pre issue and post issue shareholding pattern

Sr No	Category	Pre issue			Post Issue		
		No Of Shares held	% of Share holding	of	No Of Shares held	% of Share holding	of
A	<b>Promoter's holding:</b>						
1	<b>Indian:</b>						
	Individual	4,73,983	3.30%		4,73,983	2.04%	
	Bodies Corporate	94,83,697	66.05%		94,83,697	40.8%	
	<b>Sub -Total</b>	<b>99,57,680</b>	<b>69.35%</b>		<b>99,57,680</b>	<b>42.84%</b>	
2	<b>Foreign Promoters</b>	-	-		-		
	<b>Sub -Total(A)</b>	<b>99,57,680</b>	<b>69.35%</b>		<b>99,57,680</b>		
B	<b>Non- Promoter's holding:</b>						
1	<b>Institution Investors</b>	44,00,000	30.65%		13,288,888	57.16%	
2	<b>Non – Institution:</b>	-	-		-	-	
	Private Corporate Bodies	-	-		-	-	
	Directors and relatives	-	-		-	-	
	Indian Public	-	-		-	-	
	Other (including NRIs)	-	-		-	-	
	<b>Sub -Total(B)</b>	<b>44,00,000</b>	<b>30.65%</b>				
	<b>GRAND TOTAL</b>	<b>1,43,57,680</b>	<b>100%</b>		<b>2,32,46,568</b>	<b>100</b>	





As it is proposed to issue and allot the aforesaid securities on preferential allotment basis, special resolution is required to be approved by members pursuant to the provisions of Section 62 of the Companies Act, 2013, other applicable provisions of Companies Act, 2013.

The members are, therefore, requested to accord their approval authorizing the Board to go for the proposed private placement and / or preferential issue as set out at the item no 1 as a special resolution.

Inspection of Documents:

The documents pertaining to the above Special Businesses are available for inspection at the Registered Office of the company between 11.00 am to 1.00 pm on any working day (excluding Saturday and Sunday) prior to the date of the meeting.

None of the Directors / Key Managerial Personnel or their relatives is concerned or interested in the resolution.

Place : CHENNAI

By Order of the Board of Directors  
For Belstar Investment and Finance Private Limited

Dated : July 20,2016

Sunil Kumar Sahu  
Company Secretary

