



NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE OF THE SECOND 2nd EXTRAORDINARY GENERAL MEETING OF THE MEMBERS OF BELSTAR MICROFINANCE LIMITED FOR FY 2024-25 SCHEDULED ON FRIDAY JULY 26, 2024 AT 2.00 P.M. AT THE CORPORATE OFFICE OF THE COMPANY SITUATED AT M V SQUARE, NO. 4/14, SOUNDARAPANDIAN STREET, ASHOK NAGAR, CHENNAI- 600083 THROUGH VIDEO CONFERENCE (VC)/ OTHER AUDIO-VISUAL MEANS (OAVM) TO TRANSACT THE BUSINESSES MENTIONED BELOW:

SPECIAL BUSINESS:

Item No. 1 - Re-appointment of Dr. Kalpanaa Sankar as Managing Director for a further period of One year with effective from September 01, 2024, to August 31, 2025.

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based the recommendations of Nomination & Remuneration Committee and approval of the Board of Directors, consent of the members be and is hereby accorded to re-appoint Dr. Kalpanaa Sankar (DIN: 01926545) as Managing Director of the Company, for a further period of one year from the expiry of her present term of office, with effect from September 01, 2024, to August 31, 2025 (both days inclusive) with existing terms and conditions as indicated below:

- A. Tenure: From September 01, 2024, to August 31, 2025
- B. Remuneration:
 - Basic Salary : ₹. 8,75,000/- p.m.
 - Other Special Allowance: ₹. 8,75,000/ p.m.
- C. Perquisites and other amenities payable/provided to the Managing Director are as under:
 - I. Company's contribution towards provident fund per month as per the applicable rules and not exceeding the limit as laid down under the Income Tax Rules, 1962.
 - II. Following allowances/perquisites/facilities are given as per Company's Rules:
 - a. Gratuity/ provident fund/ any allowance thereof as per the Company's rules applicable to employees of the Company
 - b. Use of company-maintained car for official purposes.
 - c. Other Benefits & Perquisites as per the Rules applicable to the Senior Executives of the Company and/or which may become applicable in the future and/or any other allowances, perquisites as the Board may decide from time to time.
 - d. Any other lump sum amount as decided by the Board of Directors from time to time

“RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time”

“RESOLVED FURTHER THAT Mr. Sunil Kumar Sahu Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto.”

Item No. 2- Re-appointment of Mr. Balasubramanian Balakumaran (DIN: 09099182) as a Wholetime Director for a further period of one year with effective from December 01, 2024, to November 30, 2025, and fixing the remuneration.

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based the recommendations of Nomination & Remuneration Committee and approval of the Board of Directors, consent of the members be and is hereby accorded to re-appoint Mr. Balasubramanian Balakumaran (DIN: 09099182) as Wholetime Director of the Company, for a further period of one year from the expiry of his present term of office, with effect from December 01, 2024 to November 30, 2025 (both days inclusive) and revision in remuneration with effect from May 01, 2024, with the terms and conditions as indicated below:

“RESOLVED FURTHER THAT the remuneration payable to Mr. B Balakumaran, Wholetime Director with effect from May 01, 2024, shall be as under:

- A. Tenure: from December 01, 2024, to November 30, 2025.
- B. Remuneration: ₹ 43,64,250 p.a with such increments as the Board may decide from time to time, subject to a ceiling of 15% per annum of aforesaid Salary during the tenure of his employment.
- C. Perquisites and other amenities payable/provided to the Wholetime Director are as follows:
 - I. Company’s contribution towards provident fund per month as per the applicable rules and not exceeding the limit as laid down under the Income Tax Rules, 1962.
 - II. Following allowances/perquisites/facilities are given as per Company’s Rules:
 - a) Gratuity/ provident fund/ any allowance thereof as per the Company’s rules applicable to employees of the Company
 - b) Other Benefits & Perquisites as per the Rules applicable to the Senior Executives of the Company and/or which may become applicable in the future and/or any other allowances, perquisites as the Board may decide from time to time.

“RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time”.

“RESOLVED FURTHER THAT Mr. Sunil Kumar Sahu Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto.”

Item No. 3 - Re-appointment of Mr. Krishnamoorthy Venkataraman (DIN 02443410) as an Independent Director of the Company for a second consecutive term of five years.

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 Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactments(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and based on the recommendation of the Nomination and Remuneration Committee and the approval of Board of Directors, Mr. Krishnamoorthy Venkataraman (DIN 02443410) be and is hereby reappointed as an Independent Director of the Company to hold office for a second consecutive term of five years from September 23, 2024 to September 22, 2029 (both days inclusive).

“RESOLVED FURTHER THAT during the said tenure Mr. Krishnamoorthy Venkataraman shall not be liable to retire by rotation.”

“RESOLVED FURTHER THAT the Board of Directors of the Company and/ or the Company Secretary of the Company be and are hereby authorized to do all such acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto.”

By Order of the Board of Directors
For **Belstar Microfinance Limited**



Sunil Kumar Sahu
Company Secretary
M. No. F12545

Place : CHENNAI
Dated : July 03,2024

Notes:

1. The Ministry of Corporate Affairs (“MCA”) has vide its various circulars issued from time to time (the latest circular being dated September 25, 2023) (“MCA Circulars”) permitted the holding of the AGM through VC/OAVM In compliance with the provisions of the Companies Act 2013 (the Act), MCA Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), the EGM of the Company, is being conducted through VC/OAVM at the Corporate office of the Company
2. The members who have not yet registered their e-mail ids with the Company may contact Mr. Sunil Kumar Sahu on cs@belstar.in or Mobile: 8428152748 for registering their e-mail ids on or before the Extra Ordinary General Meeting. The Company shall send the Notice to such members whose e-mail ids get registered within the aforesaid time enabling them to participate in the meeting and cast their votes.
If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company.
3. A member entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since this EGM is being held through VC/OAVM, the facility for the appointment of proxies by the members will not be available for this EGM. Hence the proxy form, attendance slip and route map are not annexed to this notice.
4. Details of Directors seeking appointment/Re-appointment as per Secretarial Standard on General Meetings, forms part of the explanatory statement annexed with the notice
5. Corporate/Institutional Members are entitled to appoint authorised representatives to attend the EGM through VC/OAVM on their behalf and cast their votes at the EGM. Corporate/Institutional Members (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy of the Board Resolution/Authority Letter, etc., authorising their representative to attend the EGM through VC/OAVM on their behalf and to vote during the EGM.
6. The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. The explanatory statement pursuant to section 102 of the Companies Act, 2013 (“the Act”) in respect of special businesses is annexed herewith and form part of notice.
8. The Company does not have any unclaimed dividend amount to be transferred to Investor Education and Protection Fund (IEPF).
9. In terms of the aforesaid Circulars, the businesses set out in the Notice will be transacted by the members only through show of hands, during the meeting while participating through VC facility, unless a demand for poll is made by any member.
10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Sec 170 of the Companies Act 2013 (“the Act”) and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the member during the Extra Ordinary General Meeting.

All documents referred to notice, and in the accompanying explanatory statement are open for electronic inspection without any fee by the Members at the registered office of the Company during office hours on all working days, except Saturdays, Sundays and public holidays, between 9:30 a.m. Indian Standard Time and 6:30 p.m. Indian Standard Time, up to the date of the Extra Ordinary General Meeting Members seeking to inspect such documents can send an email to Company’s email id: cs@belstar.in

11. Instructions for Members for attending the EGM through VC/OAVM:

- i.** ATTENDING THE EGM: Members will be provided with a facility to attend the EGM through video conferencing platform provided by Microsoft Teams.
- ii.** Members can join the EGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC/OAVM AND VOTING PROCESS:

The members are requested to follow the following instructions in order to participate in the Meeting through VC mechanism:

- a. The login-id and password for joining the meeting shall be provided to the shareholders half an hour before the commencement of the meeting.
- b. The facility for joining the Meeting shall be kept open 15 minutes before the time scheduled to start the meeting
- c. Members who hold shares in dematerialised form are requested to furnish their Client ID and DP ID Nos.
- d. Participation of single member shall only be allowed at a time;
- e. Queries on the accounts and operations of the Company or the businesses covered under the Notice may be sent to cs@belstar.in at least seven days in advance of the meeting so that the answers may be made readily available at the meeting;
- f. Members are requested to e-mail at cs@belstar.in or call at 8428152748 in case of any technical assistance required at the time of log in/ assessing/ voting at the Meeting through VC.

By Order of the Board of Directors
For **Belstar Microfinance Limited**



Sunil Kumar Sahu
Company Secretary
M. No. F12545

Place : CHENNAI
Dated : July 03,2024

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1 – Re-appointment of Dr. Kalpanaa Sankar as a Managing Director for a further period of one year with effective from September 01, 2024, to August 31, 2025

Dr. Kalpanaa Sankar, Managing Director was reappointed as Managing Director for a period of 5 Months from April 01, 2024, to August 31, 2024, and her tenure of will be completed on August 31, 2024

Based on the recommendation of the Nomination and Remuneration Committee and keeping in view of her performance and experience, contribution to the growth of the Company and role in the execution of strategy and realization of the Company's objectives the Board of Directors at its meeting held on June 06, 2024 has , recommended for extension of the tenure of Dr Kalpanaa Sankar as Managing Director for a period of One year i.e. from September 01, 2024, up to August 31, 2025 (both days inclusive) with existing terms and conditions as indicated below

- A. Tenure: From September 01, 2024, to August 31, 2025
- B. Remuneration:
 - Basic Salary : ₹ 8,75,000/- p.m.
 - Other Special Allowance: ₹. 8,75,000/ p.m.
- C. Perquisites and other amenities payable/provided to the Managing Director are as under:
 - I. Company's contribution towards provident fund per month as per the applicable rules and not exceeding the limit as laid down under the Income Tax Rules, 1962.
 - II. Following allowances/perquisites/facilities are given as per Company's Rules:
 - a. Gratuity/ provident fund/ any allowance thereof as per the Company's rules applicable to employees of the Company
 - b. Use of company-maintained car for official purposes.
 - c. Other Benefits & Perquisites as per the Rules applicable to the Senior Executives of the Company and/or which may become applicable in the future and/or any other allowances, perquisites as the Board may decide from time to time.
 - d. Any other lump sum amount as decided by the Board of Directors from time to time

The details and Disclosure as required under Schedule XIII of the Companies Act, 2013 and Schedule V of the Companies Act, 2013 are given hereunder as an Annexure to this Notice.

The aforesaid resolutions for reappointment and remuneration payable to Dr. (Mrs.) Kalpanaa Sankar may further be varied, altered or modified as may be agreed to by the Board of Directors and Dr. (Mrs.) Kalpanaa Sankar, in the light of any amendment/ modification of the Act, or any re-enactment thereof within the limits provided under the Act.

The Board recommends for the approval of members, the resolutions as set out at Item No. 1 as a Special Resolution.

Except Dr. (Mrs.) Kalpanaa Sankar. being an appointee, none of the Directors and Key Managerial Personnel or their relatives thereof are in any way concerned or interested in the above Resolution.

Item No. 2- Re-appointment of Mr. Balasubramanian Balakumaran (DIN: 09099182) as a Wholetime Director for a further period of one year with effective from December 01, 2024, to November 30, 2025, and fixing the remuneration

Mr. B Balakumaran was appointed as a Wholetime Director for three years wef December 01, 2021, and his tenure of three years will be Completed on November 30, 2024.

Based on the recommendation of the Nomination and Remuneration Committee and keeping in view of her performance and experience, contribution to the growth of the Company and role in the execution of strategy and realization of the Company's objectives the Board of Directors at its meeting held on June 06, 2024 has , recommended for extension of the tenure of Mr. B Balakumaran as Wholetime Director for a period of One year December 01, 2024, to November 30, 2025(both days inclusive). along with a 15% increase in the annual remuneration with effect from May 01, 2024.

The details terms is as below:

- A. Tenure: from December 01, 2024 to November 30, 2025
- B. Remuneration: ₹ 43,64,250 p.a with such increments as the Board may decide from time to time, subject to a ceiling of 15% per annum of aforesaid Salary during the tenure of his employment.
- C. Perquisites and other amenities payable/provided to the Wholetime Director are as follows:
 - I. Company's contribution towards provident fund per month as per the applicable rules and not exceeding the limit as laid down under the Income Tax Rules, 1962.
 - II. Following allowances/perquisites/facilities are given as per Company's Rules:
 - a. Gratuity/ provident fund/ any allowance thereof as per the Company's rules applicable to employees of the Company
 - b. Other Benefits & Perquisites as per the Rules applicable to the Senior Executives of the Company and/or which may become applicable in the future and/or any other allowances, perquisites as the Board may decide from time to time.

The details and Disclosure as required under Schedule XIII of the Companies Act, 2013 and Schedule V of the Companies Act, 2013 are given hereunder as an Annexure to this Notice.

The aforesaid resolutions for reappointment and remuneration payable to Mr. B Balakumaran may further be varied, altered or modified as may be agreed to by the Board of Directors and Mr. B Balakumaran in the light of any amendment/ modification of the Act, or any re-enactment thereof within the limits provided under the Act.

The Board recommends for the approval of members, the resolutions as set out at Item No. 2 as a Special Resolution.

Except Mr. B Balakumaran, being an appointee, none of the Directors and Key Managerial Personnel or their relatives thereof are in any way concerned or interested in the above Resolution.

Item No. 3 - Re-appointment of Mr. Krishnamoorthy Venkataraman (DIN 02443410) as an Independent Director of the Company for a second consecutive term of five years

Mr. Krishnamoorthy Venkataraman (holding DIN: 02443410) was appointed as Independent Director of the Company, for a period of five years with effect from September 23, 2019 and his tenure will be completed on September 22, 2024 (1st Tenure).

In the opinion of the Board, Krishnamoorthy Venkataraman is a well-experienced business leader who has more than forty-five-year of experience in the banking sector

Mr. K Venkataraman has always been an active contributor to the Board's decisions. Based on the evaluation of his skills, knowledge, experience, and substantial contribution made by him to the Board during his tenure, continued association with Mr. K Venkataraman as Independent Director of the Company would be beneficial to the Company. The Nomination and Remuneration Committee of the Company, after evaluating the fit and proper criteria as per the RBI directions, recommended the re-appointment of Mr. K Venkataraman as an Independent Director of the Company for a further period of five years.

The present resolution is for the re-appointment of Mr. K Venkataraman as the Independent Director for a Second term in terms of requirements of Sections 149, 150, 152, and 160 read with Schedule IV of Companies Act, 2013 and Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to provisions of Section 149(10) of the Companies Act, 2013, the present appointment of Mr. K Venkataraman is to hold office for a term of five years, from September 23, 2024, to September 22, 2029(both inclusive).

In terms of Sections 149, 150, 152, and 160 read with Schedule IV of the Companies Act, 2013, the Board of Directors has reviewed recommendations made by the Nomination and Remuneration Committee for the appointment of Mr. K Venkataraman as Independent Director of the Company. Further, the Board has reviewed the declarations made by Mr. K Venkataraman that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013, and the Board is of the opinion that he fulfils the conditions specified in the Companies Act, 2013 and the rules made thereunder and is independent of the management. Particulars of the proposed appointee as required under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed to the notice.

In view of the above provisions, the proposals for the appointment of Mr. K Venkataraman as Independent Director, not liable to retire by rotation, for a period as specified in the proposed resolution is placed for the approval of shareholders by means of a Special Resolution.

The Board of Directors considers that the appointment of Mr. K Venkataraman as Independent Director will be beneficial to the Company.

The Board recommends resolution No. 6 for the approval of the members as a Special Resolution.

Except Mr. K Venkataraman , being an appointee, none of the Directors and Key Managerial Personnel or their relatives thereof are in any way, concerned or interested in the above Resolution.

ADDITIONAL INFORMATION OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING AS PER SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2)

Name of Directors	Dr. Kalpanaa Sankar	Mr. Balasubramanian Balakumaran	Mr. Krishnamoorthy Venkataraman
DIN	01926545	09099182	02443410
Citizenship	India	India	India
Category	Executive	Executive	Non-Executive
Designation	Managing Director	Wholetime Director	Independent Director
Date of Birth (Age)	07/03/1964 (60)	17/08/1962(62)	23/05/1953(71)
Date of First Appointment on the Board	11/02/2009	29/04/2021	23/09/2019
Qualification	Double doctorate in Physical Sciences and Executive MBA	B.Sc (Agriculture)	M.Sc.(Agriculture), FIIBF
Experience	<p>Dr. Kalpanaa Sankar has been involved in the self-help group movement for 21 Plus years and has specialized in participatory assessment, gender differentiated impact and monitoring tools. She was the Monitoring and Evaluation Officer for IFAD and was Consultant with UNOPS, UNDP, Christian Aid and Wetlands International. She had worked as a Consultant with the Government of South Africa and has supported microfinance and poverty reduction programmes in Afghanistan and Brazil. She had worked as a Key Person in Tamil Nadu Women Development Corporation, Govt. Of Tamil Nadu. Also, she is the Managing Trustee of Hand in Hand India.</p>	<p>Mr. B Balakumaran has served in Indian Bank, a nationalized bank for 21 years in various capacities such as Rural Development Officer, Officer in-charge of Gramodaya Kendra, Project Manager - IBSUM and Branch Manager. He has independently managed the Agricultural Credit Desk at the Regional Office of said Bank. He brings with him a blend of skill and field experience in rural banking, SHG Movement and Microfinance, specifically in the areas of group formation, credit appraisal, credit linkage of SHGs, monitoring and portfolio quality. He worked as an Agricultural Officer in the extension wing of the Tamil Nadu State Agricultural Department.</p> <p>He worked at Belstar Microfinance limited for more than 12 years in Operations department and promoted as Whole-time Director in FY2021-22</p>	<p>Mr. K Venkataraman is having more than 45 years of experience in the Banking and Finance sector. He was previously associated with Karur Vysya Bank Ltd and SBI Global Factors Ltd as a Managing Director & CEO , and worked as Chief General Manager / General Manager in State Bank of India on various Assignments</p> <p>He also served as Chairman, Foreign Exchange Dealers Assn. of India (FEDAI), Member, Commission on Banking Techniques and Practices of International Chambers of Commerce, Member of Indo-Russian Banking Sub-Group and Group Head of India, Indo-Bangladesh Joint Commission Banking Sub-Group.</p> <p>He is currently the part-time non-executive Chairman of Coastal Local Area Bank.</p>

Shareholding in the Company	9,066 equity shares	NIL	NIL
No. of meetings of the Board attended during FY 2023-24	6	6	6
Directorships held in other Companies	Hand in Hand Consulting Services Private Ltd	NIL	Coastal Local Area Bank Ltd
Chairmanship/Membership of Audit Committee and Stakeholders Relationship Committee of the Board of Directors of other Indian Companies of which he is a Director as required under Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	NIL	NIL NIL	Coastal Local Area Bank Ltd As a member of the Audit Committee, Share Transfer & Investor Grievances Committee
Relationship with other Directors / KMP of the Company	NIL	NIL	NIL
Listed entities from which the director has resigned in the past three years	NIL	NIL	NIL
Terms and Conditions of appointment/re-appointment	Re-appointment as Managing Director for a period of One year with effective from September 01, 2024, to August 31, 2025 (both days inclusive) [Refer Item No. 1 of the Notice and Explanatory Statement]	Re-appointment as Wholetime Director for a period of One year with effective from December 01, 2024, to November 30, 2025 (both days inclusive) [Refer Item No. 2 of the Notice and Explanatory Statement]	Re-appointment as Independent Director for a period of Five years with effective from September 23, 2024 to September 22, 2029 (both days inclusive) [Refer Item No. 3 of the Notice and Explanatory Statement]
Remuneration drawn during FY-2023-24	₹ 2,42,50,000	₹41,53,750	₹ 14,00,000
Remuneration sought to be paid	₹ 2,10,00,000 p.a	₹ 43,64,250 p.a	Sitting fee for attending the meetings of the Board of Directors or Committees thereof.