



NOTICE TO THE SHAREHOLDER

NOTICE IS HEREBY GIVEN THAT THE 34TH ANNUAL GENERAL MEETING OF BELSTAR MICROFINANCE LIMITED ('THE COMPANY') IS SCHEDULED TO BE HELD ON FRIDAY, SEPTEMBER 09, 2022, AT 3.00 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:

ORDINARY BUSINESS:

Item No. 1 - To receive, consider, and adopt the Audited Financial Statements of the Company for the Financial Year Ended March 31, 2022, with Reports of the Board of Directors and Auditors thereon:

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

"RESOLVED THAT the audited financial statements including Balance Sheet of the Company as at March 31, 2022, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement for the year ended on that date together with all the notes annexed and the Directors' and Auditors' Reports thereon, placed before the meeting, be and are hereby considered and adopted."

Item No. 2 - To declare a final dividend of ₹ 0.30 per equity share of ₹ 10 each for the Financial Year ended March 31,2022:

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

"RESOLVED THAT a final dividend of ₹ 0.30 per equity share of ₹ 10/- each as recommended by the Board of Directors, for the Financial year ended March 31,2022 be and is hereby declared and the same will be paid to the eligible members whose name appear in the register of members as on the record date being May 06, 2022."

Item No. 3 – Appointment of a Director in place of Mr. George Alexander (DIN: 00018384) who retires by rotation and being eligible, offers himself for re-appointment:

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

"RESOLVED THAT Mr. George Alexander (DIN: 00018384), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

Item No. 4 – Appointment of a Director in place of Mr. David Arturo Paradiso (DIN: 08181832) who retires by rotation and being eligible, offers himself for re-appointment:

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

"RESOLVED THAT Mr. David Arturo Paradiso (DIN: 08181832), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

Item No. 5 – To appoint M/s. Varma & Varma, Chennai, Chartered Accountants (Firm Reg. No. 004532S) as Auditors 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 RBI guidelines for appointment of Statutory Auditors dated April 27, 2021 (‘RBI Guidelines’) read with the policy on appointment of Statutory Auditors and provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’), and the relevant rules made thereunder (including any amendment, modification, variation or re-enactment thereof) M/s. Varma & Varma, Chennai, Chartered Accountants (Firm Reg. No. 004532S) who are being eligible for appointment as Statutory Auditors in terms of section 141 of the Act and other applicable rules and the RBI Guidelines, be and are hereby appointed as the Statutory Auditors of the Company to hold office from conclusion of 34th Annual General Meeting till the conclusion of 36th Annual General Meeting of the Company to conduct the audit of accounts for the financial years ending March 31, 2023 and March 31, 2024 on a remuneration as determined by the Audit Committee or Board of Directors and additionally out of pocket expenses, outlays and taxes as applicable.”

SPECIAL BUSINESS:

Item No.6- Revision in remuneration of Dr. (Mrs.) Kalpanaa Sankar (DIN: 01926545), Managing Director of the Company:

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

“RESOLVED THAT in partial modification of the resolution passed by the members at the Annual General Meeting held on September 29, 2021 and pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, after taking into consideration the recommendation of Nomination & Remuneration Committee and the Board of Directors of the Company, the consent of the members be and is hereby accorded for the revision in remuneration of Dr. (Mrs.) Kalpanaa Sankar (DIN: 01926545), Managing Director, with effect from May 01, 2022 as given below:

- I. Basic salary of Rs. 6,25,000/- (Rupees Six Lakhs Twenty-Five Thousand Only) per month.
- II. Other Special allowance Rs. 6,25,000/- (Rupees Six Lakhs Twenty-Five Thousand Only) per month.
- III. 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.
- IV. Other Allowances / benefits, perquisites - any other allowances, benefits and 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 allowance, perquisites as the Board may from time to time decide.

“RESOLVED FURTHER THAT, where in any financial year, during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay the remuneration by way of salary, perquisites and allowances as specified above as minimum remuneration, subject to the limits and conditions under Schedule V of the Companies Act, 2013 as may be amended from time to time.”

Item No. 7- Revision in remuneration of Mr. Balasubramanian Balakumaran (DIN: 09099182), Wholetime Director of the Company:

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

“RESOLVED THAT in partial modification of the resolution passed by the members at the Extra-Ordinary General Meeting held on December 11,2021 and pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, after taking into consideration the recommendation of Nomination & Remuneration Committee and the Board of Directors of the Company, the consent of the members be and is hereby accorded for revision in remuneration of Mr. B Balakumaran Wholetime Director, with effect from May 01, 2022 as given below:

1. Basic salary of Rs. 1,37,500/- (Rupees One lakh Thirty-Seven Thousand Five Hundred Only) per month with such increments as the Board may decide from time to time, subject to a ceiling of 15% per annum of original Basic Salary as stated above.
2. Other Special allowance Rs. 1,37,500/- (Rupees One lakh Thirty-Seven Thousand Five Hundred Only) per month with such increments as the Board may decide from time to time, subject to a ceiling of 15% per annum of original Basic Salary as stated above.
3. 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.
4. Other Allowances / benefits, perquisites - any other allowances, benefits and 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 allowance, perquisites as the Board may from time to time decide.

“RESOLVED FURTHER THAT where in any financial year, during the currency of the tenure of the Wholetime Director, the Company has no profits, or its profits are inadequate, the Company shall pay the remuneration by way of salary, perquisites and allowances as specified above as minimum remuneration, subject to the limits and conditions under Schedule V of the Companies Act, 2013, as may be amended from time to time.”

By Order of the Board of Directors
For Belstar Microfinance Limited

Place : CHENNAI

Dated : August 16,2022



Sunil Kumar Sahu
Company Secretary
M. No: A39022

Notes:

1. In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide General Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 Circular No. 20/2020 dated May 5, 2020, Circular No.2/2021 dated January 13, 2021, Circular No.19/2021 dated December 08, 2021, Circular No.21/2021 dated December 14, 2021 and Circular No.2/2022 dated May 05,2022 (collectively referred to as “MCA Circulars”), have permitted conducting the Annual General Meeting through video conferencing (“VC”) or other audio-visual means (“OAVM”) up to December 31,2022. In compliance with the said requirements of the MCA Circulars, electronic copy of the Notice along with the Annual Report for the financial year ended March 31, 2022 consisting of financial statements including Board’s Report, Auditors’ Report and other documents required to be attached therewith (Collectively referred to as Notice) have been sent only to those members whose e-mail ids are registered with the Company or the Registrar and Share Transfer Agent (RTA) or the Depository Participant(s) through electronic means and no physical copy of the Notice has been sent by the Company to any member.
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 Annual 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 AGM 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 AGM is being held through VC/OAVM, the facility for appointment of proxies by the members will not be available for this AGM. 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 AGM through VC/OAVM on their behalf and cast their votes at the AGM. 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 AGM through VC/OAVM on their behalf and to vote during the AGM.
6. The attendance of the Members attending the AGM 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. Subject to the approval of members at the AGM, dividend will be paid within one month from the date of AGM, to those members whose names appear on the register of members of the Company as of the record date i.e. May 06, 2022.
10. 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.
11. 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 Annual 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 Annual General Meeting. Members seeking to inspect such documents can send an email to Company's email id: cs@belstar.in

12. Instructions for Members for attending the AGM through VC/OAVM:

- i.** ATTENDING THE AGM: Members will be provided with a facility to attend the AGM through video conferencing platform provided by Microsoft Teams.
- ii.** Members can join the AGM 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 AGM 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 i.e. 2.45 P.M
- 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.

ANNEXURE TO THE NOTICE

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

Item no. 6 - Revision in remuneration of Dr. (Mrs.) Kalpanaa Sankar (DIN: 01926545), Managing Director of the Company

Based on the recommendation of the Nomination and Remuneration Committee, at its meeting held on June 21 2022, the Board of Directors, at its meeting held on August 02, 2022, approved the revision in remuneration of Dr. (Mrs.) Kalpanaa Sankar, Managing Director of the Company w.e.f. May 01,2022 as detailed in the resolution, subject to the approval of the shareholders in the Annual General Meeting.

In the event of inadequacy of profits or no profits, the Company will pay the above remuneration as minimum remuneration to Dr. (Mrs.) Kalpanaa Sankar, Managing Director, subject to the limits laid down in the Companies Act, 2013 ("**the Act**").

The resolution for revision in remuneration were approved by the Board based on the industry standards and the responsibilities handled by the Managing Director of the Company.

The aforesaid resolutions for revision in 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. 6 as a Special Resolution.

Except Dr. (Mrs.) Kalpanaa Sankar, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution set forth in item no. 6 of the notice.

Item no. 7 –Revision in remuneration of Mr. B Balakumaran (09099182) Wholetime Director of the Company:

Based on the recommendation of the Nomination and Remuneration Committee, at its meeting held on June 21, 2022, the Board of Directors, at its meeting held on August 02, 2022, approved the revision in remuneration of Mr. B Balakumaran (09099182) Wholetime Director of the Company w.e.f. May 01,2022 as detailed in the resolution, subject to the approval of the shareholders in the Annual General Meeting.

In the event of inadequacy of profits or no profits, the Company will pay the above remuneration as minimum remuneration to Mr. B Balakumaran, Wholetime Director, subject to the limits laid down in the Companies Act, 2013 ("**the Act**").

The resolution for revision in remuneration was approved by the Board based on the industry standards and the responsibilities handled by the Wholetime Director.

The aforesaid resolutions for revision in 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. 7 as a Special Resolution.

Except **Mr. B Balakumaran**, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution set forth in item no. 7 of the notice.

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	Mr. George Alexander	Mr. David Arturo Paradiso	Dr. Kalpanaa Sankar	Mr. Balasubramanian Balakumaran
DIN	00018384	08181832	01926545	09099182
Citizenship	India		India	India
Category	Non-Executive	Non-Executive	Executive	Executive
Designation	Investor Nominee Director	Investor Nominee Director	Managing Director	Whole Time Director
Date of Birth (Age)	30/06/1983 (39)	27/12/1982 (39)	07/03/1964 (58)	17/08/1962 (59)
Date of First Appointment on the Board	29/03/2017	29/08/2018	11/02/2009	29/04/2021
Qualification	George M. Alexander has done his Master's in Business Administration from University of North Carolina's Kenan & Flagler Business School and Bachelor's in Mechanical Engineering from University of Kerala College of Engineering.	Mr. David Arturo Paradiso holds an MBA focused on finance, international business and private equity from Brigham Young University (US) and Strategic Leadership on Inclusive Finance from Harvard University.	Dr. Kalpanaa Sankar is a double doctorate in Physical Sciences and in Women's Studies and Self-Help Groups. She has guided interns from Stanford University, Stockholm School of Economics and students from Indian universities on microfinance. She has an Executive MBA from TRIUM, where she was the first recipient of a scholarship to pursue the programme.	Mr. B. Balakumaran holds a Bachelors in Agriculture.
Experience	Mr. George Alexander has over 15 years of experience in the field of financial services and is currently acting as the Deputy Managing Director in Muthoot Finance Limited heading operations & administration in the states of Karnataka and has the additional responsibility of monitoring the global operations of The Muthoot Group in the US. Mr. George Alexander worked in ING Vysya Bank in India.	Mr. David Arturo Paradiso has more than 15 years of international experience in managing finance operations, private equity and venture capital in the US, Asia and Latin America. He has been with the Maj Invest group since 2015 and is the Partner, Financial Inclusion, at Maj Invest Equity International focusing on Asia and Africa.	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	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

			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.	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. He worked at Belstar for more than 12 years in Operation department and retired as Business Head in April 2021
Shareholding in the Company as on 30/06/2022	NIL	NIL	43,850 equity shares	NIL
No. of meetings of the Board attended during FY 2021-22	8	4	9	9
Directorships held in other Companies as on 30/06/2022	1.Muthoot Finance Ltd. 2. Muthoot Securities Ltd. 3. Muthoot Infopark Private Ltd. 4.Muthoot Insurance Brokers Private Ltd. 5.Muthoot Royalex forex Services Private Ltd. 6. Emsyne Technologies Private Ltd. 7.Xandari Heritage Resorts Private Ltd. 8.Vaghotam Plantations Private Ltd. 9.Pangrad Plantations Private Ltd. 10.Varavade Plantations Private Ltd. 11.Vagade Plantations Private Ltd. 12.Amboli Rubber & Plantations Private Ltd. 13.Rangana Rubber & Plantations Private Ltd.	1. Mjic Consultancy Private Ltd 2. Sub K Impact Solution Ltd 3.Epimoney Private Ltd 4.Arohan Financial Services Ltd	1. Hand in Hand Consulting Services Private Ltd	NIL

	14.Maneri Rubber & Plantations Private Ltd. 15. Sawanthavadi Rubber and Plantation Private Ltd. 16.Unix Properties Private Ltd. 17.Nuevo Cap Fintech Private Ltd. 18.Venus Diagnostics 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	Audit Committee Member in Muthoot Securities Ltd	NIL	NIL	NIL
Relationship with other Directors / KM of the Company	NIL	NIL	NIL	NIL
Terms and Conditions of appointment/ re-appointment	NA	NA	Re-appointed as Managing Director of the Company for a period of 5 years with effect from April 01, 2019, to March 31, 2024.	Appointed as Wholetime Director of the Company for period of three years wef December 01, 2021, to November 30, 2024
Remuneration drawn during FY-2021-22	₹ 8,40,000 (Sitting Fees)	Sitting fees waived by Director	₹ 1,41,45,000	₹ 10,00,000 (Salary) and ₹ 13,50,000 (Consulting fees)
Remuneration sought to be paid	No remuneration is paid. Only sitting fees is proposed	No remuneration is paid. Sitting fees waived by Director	₹ 12,50,000 p.m	₹ 2,75,000 p.m