



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

CIN:U06599TN1988PTC081652

Regd Office: New No 33, Old No 14, 48th Street ,9th Avenue, Ashok Nagar, Chennai, India-600083

Corporate Office: No.4/14, Soundrapandian Street, Ashok Nagar, Chennai - 600083

Phone No:+91-44-43414567 Email:bifpl@belstar.in Web site:www.belstar.in

NOTICE OF 31ST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 31ST ANNUAL GENERAL MEETING OF THE MEMBERS OF BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED WILL BE HELD ON MONDAY, SEPTEMBER 23, 2019 AT 2.30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT OLD NO. 14, NEW NO. 33, 48TH STREET, 9TH AVENUE, ASHOK NAGAR, CHENNAI – 600 083 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

Item No. 1- To Receive, consider and adopt the Audited Financial Statements for the Financial Year ended March 31, 2019, the Auditor's Report and Board's Report thereon.

Item No. 2 - To declare dividend of Re. 0.50 per equity share of face value of Rs. 10 each (5%) for the financial year ended March 31,2019.

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

Item No. 4 – To Re-appointment of M/s. N. Sankaran & Co., Chartered Accountants, Chennai (having Firm Reg. No. 003590S) as Statutory Auditors of the Company and fixing their remuneration

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) M/s. N. Sankaran & Co., Chartered Accountants (having Firm Registration Number 003590S) be and are hereby re-appointed as Statutory Auditors of the Company for a period of five years w.e.f. the conclusion of this Annual General Meeting (AGM) of the company and to hold the office till the conclusion of 36th AGM of the company to be held in the year 2024, without requiring any ratification from the members at any subsequent Annual General Meetings during the current term of their appointment, at such remuneration (including out of pockets expenses and applicable taxes) as may be approved by the Board of Directors of the Company in consultation with the Statutory Auditors of the Company.”

SPECIAL BUSINESS:

Item No. 5 – To Appointment of Mr. Krishnamoorthy Venkataraman (DIN: 02443410) as an 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 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (**“the Act”**) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. **Krishnamoorthy Venkataraman (DIN: 02443410)**, be and is hereby appointed as an Independent Director in Non-Executive capacity of the Company for a term of five years with effect from September 23, 2019 up to September 22, 2024 and he shall not be liable to retire by rotation.”

“RESOLVED FURTHER THAT the draft appointment letter, inter alia, containing the terms of his appointment, duties, responsibility and remuneration be and is hereby approved.”

“RESOLVED FURTHER THAT Dr. Kalpanaa Sankar (DIN: 01926545), Managing Director and Mr. Sunil Kumar Sahu Company Secretary of the Company be and hereby are severally authorized to do all such acts, deeds and things as may be necessary for giving effect of the resolution”

Item No.6- To Approval for payment of Revised Incentive to Managing Director for the FY 2018-19

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

“RESOLVED THAT in partial modification of the resolution passed by the members at the Annual General Meeting held on 18th August 2018 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 payment of additional incentive for the financial year 2018-19 to Dr. (Mrs.) Kalpanaa Sankar (DIN: 01926545), Managing Director, amounting to Rs.15,00,000/- which is equivalent to her two month’s salary.”

Item No. 7 – To Revision in remuneration of Dr. (Mrs.) Kalpanaa Sankar (DIN: 01926545), Managing Director of the Company for the FY 2019-20

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

“RESOLVED THAT in partial modification of the resolution passed by the members at the Annual General Meeting held on 18th August 2018 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 Dr. (Mrs.) Kalpanaa Sankar (DIN: 01926545), Managing Director, with effect from April 1, 2019 to March 31, 2020, as given below:

Remuneration per annum

1. Basic Salary: Rs.51,75,000/-
2. Perquisites and allowances:

Category A:

Such as House Rent Allowance, Medical Allowance, Special Allowance, Leave Travel Concession, Utilities expenses, House maintenance, Books, Periodicals and Annual subscription, use of company maintained car for business and personal use and communication expenses as may be provided by the Company and as agreed upon by the Board of Directors of the Company, subject however that the total value of allowances and perquisites payable shall not exceed the amount of Rs.51,75,000/- (Rupees Fifty One lakhs and Seventy Five thousand only) per annum.

Category B:

- i. Gratuity payable shall be calculated as per the provisions of 'The Payment of Gratuity Act, 1972.
- ii. 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.

Category C:

Other Benefits & Perquisites as per the Rules applicable to the Senior Executives/Employee of the Company and / or which may become applicable in future and / or any other allowances, perquisites as the Board may, from time to time decide as per the remuneration policy of the Company and periodic performance appraisal.

3. Incentive: Depending on her performance, she will be eligible for the following incentive:

If the ROE is 15% to 19%	: 2 month's salary
If the ROE is 20% to 24%	: 3 month's salary
If the ROE is 25% to 29%	: 4 month's salary
If the ROE is 30% and above	: 6 month's salary

(ROE: Return on Equity)"

“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 where in any financial year, during the currency of the 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. 8- To Appointment of Mr. Sitaraman Chandrasekar (DIN: 02360909) as a Whole Time Director of the Company and fixing his remuneration

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 149, 152, 161, 196, 197 and 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 and after taking into consideration the recommendation of Nomination & Remuneration Committee of the Board, Mr. Sitaraman Chandrasekar (DIN: 02360909) who was appointed as an Additional Director in the capacity of Whole-time Director pursuant to the provisions of Section 161 of the Act and other applicable provisions of the Act to hold office up to the date of this Annual General Meeting, be and hereby appointed as Whole-time Director of the Company, for a period of two years with effect from April 22, 2019 up to March 31, 2021, not liable to retire by rotation, on the terms & conditions and remuneration as mentioned below:

Remuneration per annum

1. Basic Salary: Rs.22,80,000/-
2. Perquisites and allowances:

Category A:

Such as House Rent Allowance, Medical Allowance, Special Allowance, Leave Travel Concession, Utilities expenses, House maintenance, Books, Periodicals and Annual subscription, driver and vehicle maintenance and communication expenses as may be provided by the Company and as agreed upon by the Board of Directors of the Company and Mr. Sitaraman Chandrasekar, subject however that the total value of allowances and perquisites payable shall not exceed the amount of Rs.24,48,000/- (Rupees Twenty Four lakhs and Forty Eighty Thousand only) per annum.

Category B:

- i. Gratuity payable shall be calculated as per the provisions of ‘The Payment of Gratuity Act, 1972.
- ii. 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.

Category C:

- iii. Other Benefits & Perquisites as per the Rules applicable to the Senior Executives/Employee of the Company and / or which may become applicable in future and / or any other allowances, perquisites as the Board may, from time to time decide as per the remuneration policy of the Company and periodic performance appraisal.
3. On the basis of performance, he will be eligible for a Performance bonus subject to an overall limit of Rs.2,00,000/- p.a.”

“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 where in any financial year, during the currency of the tenure of the Whole-time 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. 9- To Appointment of Mr. David Arturo Paradiso (DIN: 08181832) as a 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 Sections 149, 152, 164 read with the applicable rules of the Companies (Appointment and Qualifications of Directors) Rules 2014, and any other applicable provisions of the Companies Act, 2013, Mr. David Arturo Paradiso (DIN: 08181832), who was appointed as an Additional Director of the Company by the Board of Directors on August 29, 2018, to hold office upto the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company in non-executive capacity.”

Item No. 10 – To Increase in the Borrowing powers 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 supersession of the earlier Resolution passed by the members of the Company at their 30th Annual General Meeting held on August 18, 2018 and pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013 and all other applicable provisions if any, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded, to allow the Board of Directors (hereinafter referred to as "**the Board**" which term shall be deemed to include any Committee which the Board may constitute for this purpose of the Company) for borrowing any sum or sums of monies (exclusive of Interest) from time to time on such terms and conditions as may be determined, from any one or more Company's bankers and /or from any one or more other banks, persons, firms, companies /bodies corporate, financial institutions, institutional Investor(s), Mutual Fund, Insurance companies, pension funds or any entity /entities or authority/ authorities, whether in India or abroad and whether by way of cash credit, advance, loans or bill discounting, issue of debentures (redeemable, non-convertible, structured or unstructured), other non-convertible instruments, subordinated debentures, perpetual debt, bonds, commercial papers, long /short term loans, suppliers credit, securitized instruments such as floating rate notes, fixed rate notes, syndicated loans, Commercial borrowings from the private sector window of multilateral financial institution either in rupees and/or in such other foreign currency as may be permitted by law from time to time and/or any instruments/ securities or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets, and property whether immovable or moveable and all or any of the undertaking of the Company, notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) will or may exceed the aggregate paid-up capital of the Company and its free reserves, that is to say, reserves not

set apart for any specific purpose but, so however, that the total amount up to which the moneys may be borrowed by the Board of Directors and outstanding at any time shall not exceed Rs. 5000 Crores (Rupees Five Thousand Crores Only).

“RESOLVED FURTHER THAT the Board be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may, in its absolute discretion, think fit.

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

Item No. 11 – To Creation of Charge/Mortgage/Hypothecation of properties 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 supersession to the earlier Resolution passed by the members of the Company at their 30th Annual General Meeting held on August 18, 2017 and pursuant to Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 and all other applicable provisions if any, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and the consent of the member of the Company be and is hereby accorded to allow the Board of Directors (hereinafter referred to as "**the Board**" which term shall be deemed to include any Committee which the Board may constitute for this purpose) of the Company to sell, create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favour of Banks/Financial institutions, other investing agencies and trustees for the holders of debentures/ bonds/other instruments to secure Rupee/Foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and/or securities linked to equity shares and/or rupee/foreign currency convertible bonds (hereinafter collectively referred to as "**Loans**") provided that the total amount of Loans payable by the Company in respect of the said Loans, shall not, at any time exceed Rs. 5000 Crores (Rupees Five Thousand Crores Only).

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or any Committee thereof be and is hereby authorized to finalize, settle and execute such documents /deeds / writings / papers / agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgage / charge as aforesaid.”

Item No. 12 – To Issuance of Non-Convertible Debenture (NCDs) on Private Placement Basis

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

“RESOLVED THAT in supersession to the earlier Resolution passed by the members of the Company at their 30th Annual General Meeting held on August 18, 2018, and in accordance to the provision 42, 71 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(s) or re-enactment(s) thereof, for the time being in force) and subject to the provisions of the (i) Articles of Association of the Company; (ii) the provisions of SEBI (Issue & Listing of Debt Securities) Regulations, 2008 as amended from time to time (the “SEBI regulation”) (iii) Systemically Important Non-Deposit taking Company (NBFCNDSI) Master Direction norms as prescribed by Reserve Bank of India, Guidelines Issued by Reserve Bank of India for Raising Money through Private Placement of Non-Convertible Debentures (NCDs) by NBFCs and all other rules, regulations, guidelines, notifications, clarifications and circulars, if any, issued by any Statutory/Regulatory Authority, as may be applicable and subject to such approval as may require from statutory and regulatory authorities (if and to the extent necessary) from time to time, the consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as the **“Board”** which term shall be deemed to include any Committee which the Board may constitute for this purpose) of the Company to Issue, offer/ or invite subscription of unsubordinated or subordinated, perpetual or non-perpetual, listed or unlisted, secured or unsecured, non-convertible debentures (hereinafter collectively referred as “Securities”) on a private placement basis during a period of one year from the date of passing of this resolution up to an amount not exceeding INR 10,00,00,00,000/- (Indian Rupees One thousand Crores only) on such terms and conditions, at par, premium or discount, in one or more tranches to such person or persons including one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, alternative investment funds, pension/provident funds and individuals as the case may be, as the Board may decide in its absolute discretion.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company or any committee thereof be and is hereby authorised to determine and consider terms that are proper and most beneficial to the Company including, without limitation, the terms of issue including the class of investors to whom the NCDs are to be issued, time, securities to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium/ discount, listing, utilization of the issue proceeds and to do all such acts and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds/ documents/ undertakings/ agreements/ papers/ writings, as may be required in this regard and matters connected therewith or incidental thereto.”

Item No. 13 – To Approve Change in name of the Company

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 13, 14 and other applicable provisions of the Companies Act, 2013 if any, and the rules framed there under, subject to the approval of the Registrar of

Companies, Chennai and any other Regulatory authorities as may be necessary, consent of the members be and is hereby accorded to change the name of the Company from “BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED” to “BELSTAR MICROFINANCE PRIVATE LIMITED”, and to substitute the name of Belstar Investment and Finance Private Limited with the new name ‘BELSTAR MICROFINANCE PRIVATE LIMITED’, wherever it appears in the Memorandum, Articles, letterheads, bill heads, name boards and other documents of the Company and the website of the Company.”

“RESOLVED FURTHER THAT the Name Clause, Clause I of the Memorandum of Association of the Company be altered accordingly and substituted by the following clause:


1. The Name of the Company is **“BELSTAR MICROFINANCE PRIVATE LIMITED”**

“RESOLVED FURTHER THAT in terms of Section 14 of the Companies Act, 2013 the Articles of Association of the Company be altered by deleting the existing name of the Company wherever appearing and substituting it with the new name of the Company.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Sunil Kumar Sahu Company Secretary of the Company be and is hereby authorized, on behalf of the Company, to make an application to the Ministry of Corporate Affairs for ascertaining availability of proposed name and to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns, e-forms for the purpose of giving effect to the aforesaid resolution”

Place : CHENNAI
Dated : August 29, 2019

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



Sunil Kumar Sahu
Company Secretary

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.
4. 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 for inspection by the member at the Annual General Meeting.
5. The relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company during normal business hours on all working days up to the date of the AGM
6. The Company does not have any unclaimed dividend amount to be transferred to Investor Education and Protection Fund (IEPF).
7. The Voting rights of shareholders shall be in proportion to their shares in the paid-up share capital of the Company as on July 30, 2019. The Record date for the purpose of payment of dividend and interest shall be July 30,2019. Any person who is not a Member as on the record date should treat this Notice for information purposes only.
8. The Board of Directors of the Company at their meeting held on April 22,2019 has recommended a dividend of 5% i.e., Rs. 0.50 per share as final dividend for the financial year 2018-19. Dividend, if declared, at the AGM, will be paid within one month from the date of Annual General Meeting. The dividend, if approved at the AGM, will be paid to those members whose names appear on the register of members of the Company as of the end of the day on July 30 2019.
9. Route Map along with landmark to the venue of the Meeting is annexed and forms part of the notice.

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

Item No. 5: Appointment of Mr. Krishnamoorthy Venkataraman (DIN: 02443410) as an Independent Director of the Company

The Nomination and Remuneration Committee had recommended to the Board for appointment of Mr. Krishnamoorthy Venkataraman as an Independent Director of the Company and Board vide its Meeting held on July 30, 2019 approved the recommendation of the Nomination and Remuneration Committee and the Board recommended to the shareholders for appointment of Mr. Krishnamoorthy Venkataraman as an Independent Director of the Company. Mr. Krishnamoorthy Venkataraman is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company. The Company has also received a declaration from Mr. Krishnamoorthy Venkataraman that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act. In the opinion of the Board, Mr. Krishnamoorthy Venkataraman possesses appropriate skills, experience and knowledge and, he fulfills the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013.

Hence proposal is placed before the shareholders for appointment of Mr. Krishnamoorthy Venkataraman as an Independent Director for a term of five years with effect from September 23, 2019 to September 22, 2024.

The Board recommends the resolution no. 5 for the approval of members as an Ordinary Resolution.

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

Item No. 6: Approval for payment of Revised Incentive to Managing Director for the FY 2018-19 & Item No. 7: Revision in remuneration of Dr. (Mrs.) Kalpanaa Sankar (DIN: 01926545), Managing Director of the Company for the FY 2019-20

The Nomination and Remuneration Committee (NRC), in its meeting held on April 22, 2019, recommended to the Board and the Board of Directors, in its meeting, approved the Revised salary structure and Revised Incentive for FY 2018-19 for Dr. (Mrs.) Kalpanaa Sankar, Managing Director.

In accordance with the resolutions passed for revision in remuneration of Managing Director, Dr. (Mrs.) Kalpanaa Sankar for the financial year 2018-19 in the board meeting held on 11th May 2018 and in the Annual General Meeting held on 18th August, 2018, she is eligible for 2% incentive on Profit After Tax in excess of 15% of ROE (based on average Net worth) subject to a maximum of two months' salary, to be paid at the end of the financial year 2018-2019.

Further, Nomination & Remuneration Committee of the Company had, after reviewing her performance for the financial year 2018-19, had recommended to the Board of Directors, the following Revised Incentive Scheme for the Managing Director for the financial year 2018-19:

Incentive: Depending on her performance, she will be eligible for the following incentive:

If the ROE is 15% to 19% : 2 month's salary

If the ROE is 20% to 24% : 3 month's salary

If the ROE is 25% to 29% : 4 month's salary

If the ROE is 30% and above : 6 month's salary

(ROE: Return on Equity)

Since the ROE for FY 18-19 was around 29% to 30%, she will be eligible for 4 month's salary as incentive.

Therefore, as approved earlier by the Board and Members of the Company, Rs.15,00,000/- (equivalent to two month's salary) was paid to the Managing Director towards incentive for the financial year 2018-19. Further, balance incentive (equivalent to two month's salary) for the financial year 2018-19, as per the Revised Incentive Scheme, shall be paid subject to approval of shareholders in the ensuing Annual General Meeting.

The above remuneration payable to Dr. (Mrs.) Kalpanaa Sankar will be reviewed by the Nomination and Remuneration Committee and approved by the Board annually in line with the organizational policies.

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 payment of remuneration were approved by the Board based on the industry standards and responsibilities handled by the Managing Director of the Company.

Further, the revision in remuneration of Dr. (Mrs.) Kalpanaa Sankar for the financial year, 2019-20, by increasing the basic salary to Rs.51,75,000/- along with revision in incentive and perquisites, as recommended by the NRC and the Board, also require members' approval.

The aforesaid 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 & Item No 7 as Special Resolutions.

None of the Directors and Key Managerial Personnel are interested in the resolutions set out in Item nos.6 & 7, except Dr. (Mrs.) Kalpanaa Sankar.

ITEM NO. 8: Appointment of Mr. Sitaraman Chandrasekar (DIN: 02360909) as a Whole Time Director of the Company and fixing his remuneration

Mr. Sitaraman Chandrasekar (DIN: 02360909) who was appointed as an Additional Director w.e.f. April 22,2019 for a period of two years up to March 31, 2021, pursuant to the provisions of Section 161 and other

applicable provisions of the Companies Act, 2013 (the 'Act'), holds office up to the date of ensuing Annual General Meeting of the Company and is eligible for appointment as Whole time Director (Executive Director) of the Company.

Mr. Sitaraman Chandrasekar has furnished consent/declaration for his appointment as required under the Act and the Rules made thereunder.

The Board of Directors approved the recommendation of Nomination & Remuneration Committee of the Board, and appointed Mr. Sitaraman Chandrasekar as Whole time Director of the Company for a period of two years with effect from April 22, 2019 up to March 31, 2021 on the terms & conditions including remuneration as may be decided by the Board of Directors/Nomination and Remuneration Committee of the Board from time to time subject to such necessary sanctions and approvals as may be applicable

It is proposed to seek Members' approval for appointment of and payment of remuneration to Mr. Mr. Sitaraman Chandrasekar, Whole Time Director, in terms of the applicable provisions of the Act

Accordingly, the Board, recommends the passing of the Ordinary Resolution as set out in the Item no 8 of the Notice for appointment of **Mr. Sitaraman Chandrasekar** as a Whole Time Director.

Except **Mr. Sitaraman Chandrasekar**, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution except and to the extent they are member of the Company.

ITEM NO. 9: Appointment of Mr. David Arturo Paradiso (DIN: 08181832) as a Director of the Company

Pursuant to Sections 161 of the Companies Act 2013, the Board of Directors of the Company vide Circular resolution passed on 29th August 2018, appointed **Mr. David Arturo Paradiso** (DIN: 08181832), who is representing the Investor MAJ INVEST FINANCIAL INCLUSION FUND II K/S, as an Additional Director of the Company with effect from August 29, 2018. In terms of Section 161 of the Companies Act, 2013, **Mr. David Arturo Paradiso** holds office up to the date of ensuing Annual General Meeting.

Mr. David Arturo Paradiso is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director

Accordingly, the Board, recommends the passing of the Ordinary Resolution as set out in the Item no. 9 of the Notice for appointment of Mr. David Arturo Paradiso as a Director, liable to retire by rotation.

Except Mr. David Arturo Paradiso, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution except and to the extent they are member of the Company.

**ITEM NO. 10: Increase in the Borrowing powers of the Company
&**

ITEM NO. 11: Creation of Charge/Mortgage/Hypothecation of properties of the Company

At the 30th Annual General Meeting of the Company held on August 18, 2018, the Members had, by way of Special Resolution, approved borrowing monies on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital of the Company and its free reserves, subject to the total outstanding amount so borrowed not exceeding a sum of Rs.3000 crores at any point of time.

With the growth in business, the earlier limit on the borrowings as above said limit needs to be revisited. Hence it has been thought fit to increase the limit on borrowings to Rs.5000 crores. Hence in this connection, the approval of the Members for the said borrowings and creation of a mortgage or charge for the said borrowing is therefore now being sought, by way of a Special Resolutions, pursuant to Section 180(1)(c) and 180(1)(a) of the Companies Act, 2013 respectively.

The Board recommends passing of the resolutions set out at Item No. 10 & 11 as Special Resolutions.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolutions at Item Nos. 10 & 11.

ITEM NO. 12: Issuance of Non-Convertible Debenture (NCDs) on private placement basis

The Company uses the Non-Convertible Debenture route as a source of funding to meet its business requirements.

As per Sec 71 of the Companies Act, 2013, a company may issue debentures w.r.t. Sec 42 of the Companies Act, 2013 and Rule 14(2) (a) of the Companies (Prospectus & Allotment of Securities) Rules, 2014, which states that a company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe securities has been previously approved by the shareholders of the company, by a Special Resolution, for each of the Offers or Invitations. Second Proviso to Rule 14(2)(a) states that in case of offer or invitation for non-convertible debentures, it shall be sufficient if the company passes a previous special resolution once in a year for all the offers or invitation for such debentures to be made during the year.

Members at the Last Annual General Meeting of the Company held on August 18, 2018, had accorded their approval by way of Special Resolution to the Board of Directors of the Company for issue of listed or unlisted, secured or unsecured, non-convertible debentures (hereinafter collectively referred as "Securities") upto an aggregate amount of Rs. 1,000 Crores under private placement basis, for the period of one year. The said approval was expired on August 17, 2019.

Pursuant to Section 71 and Section 42 (2) read with Rule 14 of the Companies (Prospectus & Allotment of Securities) Rules, 2014, the approval of the members is sought by way of special resolution for issue and allot unsubordinated or subordinated, perpetual or non-perpetual listed or unlisted, secured or unsecured, non-convertible debentures under private placement, in one or more tranches, for an amount not exceeding INR

1,000 crores, and as per the terms to be decided by the Board of Directors of the Company (the “Board”, which term shall include any committee constituted / may be constituted by the Board to exercise its powers including the powers conferred under this Resolution), during the period of one year from the date of passing of the Special Resolution set out at item 12 of the AGM Notice

Approval of the Shareholders is being sought as required in terms of Section 71 of the Companies Act, 2013, by way of Special Resolution.

The Board recommends passing of the resolution set out at Item No. 12 as a Special resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolution at Item No. 12.

Item No. 13: To Approve Change in name of the Company

The Board of Directors of the Company in its meeting held on July 30, 2019 decided to change the name of the Company, pursuant to the provisions of Section 13, 14 and other applicable provisions of the Companies Act, 2013 if any, and the rules framed there under, subject to the approval of the Registrar of Companies, Chennai, No Objection provided by the Reserve Bank of India, subject to the availability of name, approval of the Central Government (power delegated to Registrar of Companies) and any other Regulatory Authorities as may be necessary.

The Directors believe that the change in the name of the Company which is being undertaken as part of corporate rebranding would make the name of the Company simple, sharp and focused.

Further the word “Investment” appearing in the name of the company is creating confusion in the minds of investors, lenders and regulators as to the nature of our activities which is Microfinance lending.

The members are informed that Company has received No Objection Certificate for name change from Reserve Bank of India on August 14, 2019.

The name “BELSTAR MICROFINANCE PRIVATE LIMITED” has been duly approved and made available for changing the name by the Registrar of Companies, Chennai vide its name approval letter dated August 26 , 2019 which is valid for 60 days.

The proposed change of name will not affect any of the rights of the Company or of the shareholders/stakeholders of the Company. All existing share certificates bearing the current name of the Company will, after the change of name, continue to be valid for all purposes.

As per the provisions of Sections 13 of the Companies Act, 2013, approval of the shareholders is required to be accorded for changing the name of the Company & consequent alteration in the Memorandum of Association and Articles of Association by way of passing a Special Resolution. Hence, the resolution is put up for shareholders’ approval.

None of the directors, Key Managerial Personnel and their relatives is concerned or interested in the passing of the aforesaid resolution, except to the extent of their shareholding, if any.

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

[Dr. Kalpanaa Sankar](#)

DIN	01926545
Category	Executive
Designation	Managing Director
Date of Birth (Age)	07/03/1964 (55)
Date of First Appointment on the Board	11/02/2009
Qualification	She 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 was the first recipient of a scholarship to pursue an Executive MBA from TRIUM, an alliance among NYU Stern School of Business, London School of Economics and Political Science and HEC School of Management, Paris and graduated in September 2012
Experience	She has been involved in the self-help group movement for 21 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 has also been Consultant with the South African government and supported poverty reduction, job creation and microfinance programmes in Afghanistan and Brazil. She has authored publications on child labour, microfinance and self-help groups. Dr Kalpana Sankar is also the Managing Trustee of Hand in Hand India and has been with the organization since 2004, being one of its co-founders. She has an Executive MBA from TRIUM, where she was the first recipient of a scholarship to pursue the programme. TRIUM is an alliance among NYU Stern School of Business, London School of Economics and Political Science and HEC School of Management, Paris. She is the recipient

	of the “Princess Sabeeka Bint Ibrahim Al- Khalifa Global Award for Women Empowerment under the Individuals Champions category”, an award given in partnership with the Kingdom of Bahrain and UN Women in New York in 2019. She has also received the “Nari Shakti Puraskar-2016” for the contribution to the empowerment of vulnerable and marginalized women from the Hon’ble President of India and Ministry of Women & Child. Under her leadership, her organization, Hand in Hand India has won the ‘Pradhan Mantri Bal Kalyan Puraskar’ for its dedicated work towards child welfare and education.
Shareholdings in the Company as on March 31,2019	1,02,674
No of meeting of the Board attended during FY 2018-19	7
Directorships held in other Companies as on March31,2019	1. Hand in Hand Consulting Services Private Limited 2.Hand in Hand Inclusive Development and Services
Particulars of Committee Chairmanship/ Membership held in other Companies	1. Hand in Hand Inclusive Development and Services
Relationship with other Directors / KMP of the Company	NIL
Terms and Conditions of appointment/ re-appointment	The appointment is for period of five years with effective from April 01, 2019 to March 31, 2024
Remuneration drawn during FY-2018-2019	Rs. 1,20,21,600/-

MR. GEORGE ALEXANDER

DIN	00018384
Category	Non-Executive
Designation	Investor Nominee Director
Date of Birth (Age)	30/06/1983 (36)
Date of First Appointment on the Board	29/03/2017
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.
Experience	Currently working as Executive Director

Muthoot Finance Group, he takes care of operations in the state of Karnataka and has the additional responsibility of monitoring the global operations of The Muthoot Group in the US. Prior to joining his family business, George had worked for ING and Kotak Mahindra Bank in India. He is the eldest son of George Alexander Muthoot, Managing Director, The Muthoot Group

Shareholdings in the Company as on March31,2019	NIL
No of meeting of the Board attended during FY 2018-19	4
Directorships held in other Companies as on March 31,2019	<ol style="list-style-type: none"> 1. Muthoot Securities Limited 2. Muthoot Systems and Technologies Private Limited 3. Sawanthavadi Rubber and Plantation Private Limited 4. Popkorn Advertising Private Limited 5. Vaghotham Plantations Private Limited 6. Pangrad Plantations Private Limited 7. Vagade Plantations Private Limited 8. Muthoot Royalex Forex Services Private Limited 9. Muthoot Insurance Brokers Private Limited 10. Muthoot Infopark Private Limited 11. Rangana Rubber & Plantations Private Limited 12. Maneri Rubber & Plantations Private Limited 13. Amboli Rubber & Plantations Private Limited 14. Varavade Plantations Private Limited 15. Unix Properties Private Limited 16. Muthoot Anchor House Hotels Private Limited 17. Venus Diagnostics Limited 18. Muthoot Homefin Advisory Services Private Limited 19. Muthoot Credit Marketing Services Private Limited
Particulars of Committee Chairmanship/ Membership held in other Companies	NIL
Relationship with other Directors / KMP of the Company	NIL

Terms and Conditions of appointment/ re-appointment	Nil
Remuneration drawn during FY-2018-2019	RS 2,40,000/- (Toward Siting Fees)

MR. DAVID ARTURO PARADISO

DIN	08181832
Category	Non-Executive
Designation	Investor Nominee Director
Date of Birth (Age)	27/12/1982 (37)
Date of First Appointment on the Board	29/08/2018
Qualification	He 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.
Experience	Michael Dell Champion Awardee (USA) and Board Member of Micro finance banks in Bolivia, Peru and Colombia, Fund manager for 2 financial Inclusion Funds
Shareholdings in the Company as on March31,2019	NIL
No of meeting of the Board attended during FY 2018-19	3
Directorships held in other Companies as on March31,2019	1. Arohan Financial Services Limited 2. MJIC Consultancy Private Limited
Particulars of Committee Chairmanship/ Membership held in other Companies	NIL
Relationship with other Directors / KMP of the Company	NIL
Terms and Conditions of appointment/ re-appointment	Appointed as Director of the Company
Remuneration drawn during FY-2018-2019	NA

MR. KRISHNAMOORTHY VENKATARAMAN

DIN	02443410
Category	Non-Executive
Designation	Independent Director
Date of Birth (Age)	23/05/1953(66)
Date of First Appointment on the Board	-

Qualification	M.Sc (Ag) Fellow of Indian Institute of Bankers
Experience	(i) Coastal Local Area Bank Ltd.: Director/Chairman (Non-Executive) – From Dec '17 (ii) Karur Vysya Bank Ltd.: Managing Director & CEO – May 2011 to Aug 2017 (iii) SBI Global Factors Ltd.: Managing Director & CEO – Feb 2011 to May 2011 (iv) State Bank of India: Various Assignments – Sep 1978 to Feb 2011 (Chief General Manager / General Manager etc)
Shareholdings in the Company as on March31,2019	NIL
No of meeting of the Board attended during FY 2018-19	NIL
Directorships held in other Companies as on March31,2019	Coastal Local Area Bank Limited
Particulars of Committee Chairmanship/ Membership held in other Companies	Coastal Local Area Bank Limited Chairman/Director of Board (Part time Non-Executive)
Relationship with other Directors / KMP of the Company	NIL
Terms and Conditions of appointment/ re-appointment	Appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from 23 rd September 2019 to 22 nd September 2024, on passing of the Ordinary Resolution by Members.
Remuneration drawn during FY-2018-2019	NA

SITARAMAN CHANDRASEKAR

DIN	02360909
Category	Executive
Designation	Whole time Director
Date of Birth (Age)	10/04/1963(56)
Date of First Appointment on the Board	22/04/2019
Qualification	B.Com, ACA
Experience	A finance professional, with over 30 years of corporate experience across functions- finance, accounting, audit, credit operations, retail

	marketing and across industries- audit firms, financial services, car dealerships, ERP consulting. The career span includes 14 years of international experience in the Middle East.
Shareholdings in the Company as on 31/03/2019	NIL
No of meeting of the Board attended during FY 2018-19	NIL
Directorships held in other Companies as on 31/03/2019	NIL
Particulars of Committee Chairmanship/ Membership held in other Companies	NIL
Relationship with other Directors / KMP of the Company	NIL
Terms and Conditions of appointment/ re-appointment	Appointed as Whole Time Director (Executive Director) of the Company, not liable to retire by rotation, to hold office for a term of 2 consecutive years commencing from April 22,2019 to March 31,2021 on passing of the Ordinary Resolution by Members.
Remuneration drawn during FY-2018-2019	NA



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

CIN:U06599TN1988PTC081652

Regd Office: New No 33, Old No 14, 48th Street ,9th Avenue, Ashok Nagar, Chennai, India-600083

Corporate Office: No.4/14, Soundrapandian Street, Ashok Nagar, Chennai - 600083

Phone No:+91-44-43414567 Email:bifpl@belstar.in Web site:www.belstar.in

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP ID : _____

Folio / Client ID : _____

No of shares held : _____

Name and address of the shareholder/Proxy:

I hereby record my presence at the 31st Annual General Meeting of the Company held on September 23,2019 as at 2.30 p.m at New No.33, Old 14, 48th Street, 9th Avenue, Ashok Nagar, Chennai, Tamil Nadu – 600083

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

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PROXY FORM

Form No. MGT-11

[Pursuant to section105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014

Name of the Member(s):

Registered Address:

E-mail Id:

Folio No/ Client Id:

DPID:

I/We, _____ being the member(s), holding _____ shares of the above-named company, hereby appoint:

1. Name: _____ E-mail Id: _____
Address: _____

Signature: _____ , or failing him/her

2. Name: _____ E-mail Id: _____
Address: _____

Signature: _____ , or failing him/her

3. Name: _____ E-mail Id: _____
Address: _____

Signature: _____ , or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting of the Company to be held on September 23, 2019 at 2.30 p.m at New No.33, Old No 14, 48th Street, 9th Avenue, Ashok Nagar Chennai-600083 and at any adjournment(s) thereof, in respect of the resolutions, as are indicated below:

I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:

Sl.No	Resolution	For	Against	Abstain
Special Business				
1	To Receive, consider and adopt the Audited Financial Statements for the Financial Year ended March 31, 2019, the Auditor's Report and Board's Report thereon.			
2	To declare dividend of Re. 0.50 per equity share of face value of Rs. 10 each (5%) for the financial year ended March 31,2019.			
3	To Appointment of a Director in place of Mr. George Alexander (having DIN: 00018384) who retires by rotation and is being eligible, offers himself for re-appointment.			
4	To Re-appointment of M/s. N. Sankaran & Co., Chartered Accountants, Chennai (having Firm Reg. No. 003590S) as Statutory Auditors of the Company and fixing their remuneration			
5	To Appointment of Mr. Krishnamoorthy Venkataraman (DIN: 02443410) as an Independent Director of the Company			
6	To Approval for payment of Revised Incentive to Managing Director for the FY 2018-19			
7	To Revision in remuneration of Dr. (Mrs.) Kalpanaa Sankar (DIN: 01926545), Managing Director of the Company for the FY 2019-20			
8	To Appointment of Mr. Sitaraman Chandrasekar (DIN: 02360909) as a Whole Time Director of the Company and fixing his remuneration			
9	To Appointment of Mr. David Arturo Paradiso (DIN: 08181832) as a Director of the Company			
10	To Increase in the Borrowing powers of the Company			
11	To Creation of Charge/Mortgage/Hypothecation of properties of the Company			
12	To Issuance of Non-Convertible Debenture (NCDs) on private placement basis			
13	To Approve Change in name of the Company			

Signed this _____ day of _____, 2019

Affix Re.1 Revenue Stamp

Signature of shareholder

Signature of Proxy holder

Note:

- *1. Please put a "X" in the Box in the appropriate column against the respective resolutions. if you leave the 'Assent' or 'Dissent' column blank against any or all the resolutions, your Proxy will be entitled to vote in manner as he/she think appropriate
2. This proxy form in order to be effective must be duly completed and deposited at the registered office of the Company not less than 48 hours before commencement of the of the meeting.



ROUTE MAP OF THE VENUE OF THE 31ST ANNUAL GENERAL MEETING OF THE COMPANY

AGM Venue:

New No 33, Old No 14, 48th Street,
9th Avenue, Ashok Nagar,
Chennai, India-600083

