



**ASIRVAD MICROFINANCE LIMITED**

Subsidiary of MANAPPURAM FINANCE LTD.

Small Loans... Big Dreams...

## **Asirvad Micro Finance Limited**

Registered office: 47, Whites Road 1<sup>st</sup> Floor, Deshabandu Plaza, Royapettah, Chennai 600014

CIN:U65923TN2007PLC064550, Web: [www.asirvadmicrofinance.co.in](http://www.asirvadmicrofinance.co.in), Email:info@asirvad.in

### **NOTICE OF 13<sup>TH</sup> ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Thirteenth Annual General Meeting of Asirvad Micro Finance Limited will be held on 25<sup>th</sup> August, 2020 at 10.00 A.M. (IST) through video conferencing or Other Audio Visual Means (OAVM), to transact the following business:

#### **ORDINARY BUSINESS:**

**1. Adoption of Financial Statements and the reports of the Directors and Auditors thereon**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2020 and the Report of Board of Directors of the Company along with its Annexures and Auditors thereon.

**2. Appointment of Director**

To appoint a Director in place of Mr. Gautam Saigal (DIN: 00640229), who retires by rotation and being eligible, offers himself for re-appointment.

**3. To appoint and fix the remuneration of Statutory Auditors:**

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



“**RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142, and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, including any modification, variation or re-enactment thereof, Walker Chandiook & Co. LLP (Grant Thornton), Chartered Accountants (Firm Registration No.001076N/N500013) be and is hereby appointed as the Statutory Auditors of the Company for a period of 5 (five) years commencing from the conclusion of this Annual General Meeting (AGM) till the conclusion of 18<sup>th</sup> AGM of the Company and the Board of Directors of the Company be and are hereby authorised to fix their remuneration and other terms and conditions from time to time in consultation with the Audit Committee as well as aforesaid Statutory Auditors.”

**SPECIAL BUSINESS:****4. To increase the borrowing power of the Company U/s 180(1) (c) of the Companies Act, 2013**

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

“**RESOLVED** that pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, and other applicable provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this resolution), to borrow from time to time, any such sum or sums of monies, which together with moneys already borrowed by the Company, as they may deem appropriate for the purpose of the Company from any Bank(s), Public Financial Institution(s), Non-Banking Finance Companies, Co-Operative Banks, Investment Institutions, Banks, Mutual Funds, and other Bodies Corporate or any Foreign Financial Institution(s) and/or any other entity/ entities or authority/ authorities either in Indian Rupees or equivalent thereof in any foreign currency(ies), whether by way of advances, loans, issue of debentures/bonds and/or other instruments however, that the total borrowings may exceed the aggregate of paid-up capital, free reserves and securities premium of the Company, provided that the outstanding amount so borrowed at any time (apart from temporary loans obtained



from the Company's bankers in the ordinary course of business) shall not exceed an amount of Rs.7,500 Crores (Rupees Seven Thousands Five Hundreds Crores Only), which may be borrowed in one or more than one tranches."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to the Borrowing & Securities Allotment Committee or to any Committee of Directors or to any officer or officers of the Company in this regard and to do all such other acts/ deeds/ matters and/ or things as may be deemed necessary, expedient, essential and consequential to give effect to this resolution(s)."

**5. To create charges on the Movable and Immovable properties of the Company, both present and future, in respect of borrowings u/s 180(1) (a) of the Companies Act, 2013**

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

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors of the Company or the Committee of the Board to create such charges, mortgages, hypothecations in all or any part of movable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of Banks, Financial Institutions, any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that maximum amount of the indebtedness secured by the properties of the Company shall not exceed Rs.7,500 Crores (Rupees Seven Thousand Five Hundreds Crores Only) at any time.

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or



Directors or to any member the Borrowing & Securities Allotment Committee or to any Committee of Directors or to any officer or officers of the Company in this regard and to do all such other acts/ deeds/ matters and/ or things as may be deemed necessary, expedient, essential and consequential to give effect to this resolution(s).”

**6. To offer or invite subscription for non-convertible debentures (NCDs) and commercial paper (CPs)**

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

“**RESOLVED THAT** pursuant to section 42, 71, 179 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Issuance of Non-Convertible Debentures (Reserve Bank) Directions, 2010 (as amended from time to time) issued by the Reserve Bank of India (NCD Directions), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (as amended from time to time) (Debt Listing Regulations), such other circulars as may be issued with respect to commercial papers and in accordance with the Memorandum of Association and Articles of Association of the Company, and listing agreements entered or to be entered into with BSE Limited and / or NSE (Stock Exchange) where the non-convertible debentures as well as commercial papers of the Company are proposed to be listed, and subject to such other approvals, consents, sanctions, permissions as may be necessary from the Securities and Exchange Board of India (SEBI), the Stock Exchanges, all other appropriate statutory and regulatory authorities, the approval of Members be and are hereby accorded to the Board of Directors of the Company (hereinafter referred as “the Board” which term shall be deemed to include any Committee thereof) to offer or invite/ issue subscriptions for all kinds and types of Non-Convertible Debentures (NCDs) up to an amount not exceeding Rs.3,000.00 Crore (Rupees Three Thousand Crore Only) and Commercial Papers up to an amount not exceeding Rs.1000.00 crore ( Rupees One Thousand Crore only) on Private Placement basis, in one or more tranches, on such terms and conditions as the Board of Directors



(which shall be deemed to include Borrowing & Securities Allotment Committee of the Board or any other committee which may be constituted/ authorized for this purpose) may, from time to time, determine and consider proper and most beneficial to the Company.”

“**RESOLVED FURTHER THAT** these borrowings shall be within the overall borrowing limit of Rs.7,500 Crores (Rupees Seven Thousand Five Hundred Crore Only)”.

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby instructed to act upon this resolution within a period of 12 months from the date of approval and that any directors be and is hereby authorized to take such steps as may be necessary to give effect to this resolution”.

“**RESOLVED FURTHER THAT** for the purpose of giving effect to any issue or allotment of Debentures or Commercial Papers of the Company, the Board of Directors be and is hereby authorized on behalf of the Company to take all such actions and do all such deeds, matters, and things as it may, in its absolute discretion deem necessary, desirable or expedient and to settle any question, difficulties or doubts that may arise in this regard including but not limited to the offering, issue and allotment of Debentures or Commercial Papers of the Company as it may in its absolute discretion deem fit and proper”

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to Borrowing & Securities Allotment Committee or any other Committee of Directors or to any officer or officers of the Company to give effect to this resolution.”

**7. To appoint Mr. Subrata Kumar Atindra Mitra as an Independent Director**

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

“**RESOLVED THAT** pursuant to the provisions of Section 152, 160 and all other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification/ amendments or re-enactments thereof) Mr. Subrata Kumar



Atindra Mitra (DIN: 00029961), Additional Director of the Company who holds the office up to the date of this Annual General Meeting and with respect to whom the Company has received a Notice in writing in terms of Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as the Director of the Company.”

“**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under, read with Schedule IV to the Act [including any statutory modifications(s) or re-enactment thereof for the time being in force] and Article of Association of the Company, Mr. Subrata Kumar Atindra Mitra who has submitted a declaration that he meets the criteria of Independence as specified in the section 149(6) of the Companies Act, 2013 be and is hereby appointed as an Independent Director on the Board of the Company for a term up to 31<sup>st</sup> December, 2022 with effect from this Annual General Meeting and who shall not be liable to retire by rotation.”

**RESOLVED FURTHER THAT** Mr. S. V. Raja Vaidyanatha, Managing Director, Mr. Yogesh Ratnakar Udhoji, Chief Financial Officer and Mr. Anup Kumar Gupta, Company Secretary of the Company be and are hereby authorized severally to do the necessary filing(s) and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient, necessary and/ or desirable to give effect to this resolution.”

#### **8. To appoint Mr. Abhijit Sen as an Independent Director**

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

“**RESOLVED THAT** pursuant to the provisions of Section 152, 160 and all other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification/ amendments or re-enactments thereof) Mr. Abhijit Sen (DIN 00002593), Additional Director of the Company who holds the office up to the date of this Annual General Meeting and with respect to whom the Company has received a Notice in writing in terms of Section 160 of the Companies Act, 2013 proposing his



candidature for the office of Director of the Company, be and is hereby appointed as the Director of the Company.”

“**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 (“ Act”) and the Rules made there under, read with Schedule IV to the Act [including any statutory modifications(s) or re-enactment thereof for the time being in force] and Article of Association of the Company, Mr. Abhijit Sen who has submitted a declaration that he meets the criteria of Independence as specified in the section 149(6) of the Companies Act, 2013 be and is hereby appointed as an Independent Director on the Board of the Company for a term of five years with effect from this Annual General Meeting and who shall not be liable to retire by rotation.”

**RESOLVED FURTHER THAT** Mr. S. V. Raja Vaidyanatha, Managing Director, Mr. Yogesh Ratnakar Udhoji, Chief Financial Officer and Mr. Anup Kumar Gupta, Company Secretary of the Company be and are hereby authorized severally to do the necessary filing(s) and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient, necessary and/ or desirable to give effect to this resolution.”

**9. To appoint Mr. B. N. Raveendra Babu as Joint Managing Director and Key Managerial Personnel**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and Schedule V of the Companies Act, 2013, read with relevant rules made thereunder and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force), the recommendation of the Board as well as Nomination and Remuneration Committee for the appointment of Mr. B. N. Raveendra Babu (holding DIN 00043622), aged 68 years, [currently a non-executive director of the Company], as Joint Managing Director & Key Managerial Personnel of the Company for a period of 5 years with effect from 1<sup>st</sup> June, 2020 be and is hereby approved.



**RESOLVED FURTHER THAT** pursuant to the provisions of Section 197 and Schedule V of the Companies Act, 2013 read with rules made thereunder and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force, the following terms and conditions as recommended by the Board of Directors be and are hereby approved:

- **Salary:** 9,00,000/- (Rupees Nine Lakhs Only) per month with effect **from 1<sup>st</sup> June 2020** with an annual increment of 50,000/- (Rupees Fifty Thousand Only) per month;
- **Commission:** Not exceeding 1% of net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013. The quantum of commission to be determined by the Board of Directors subject to the norms framed by the Board from time to time;
- **Retirement Benefits / Perquisites Contribution to PF:**@ 12% of the monthly salary;
- **Employee Stock Option Plan:** Eligible to the extent of number of shares arising based on options approved to be issued by the Nomination & Remuneration Committee of the Company;
- Contribution to Pension Fund, Superannuation Fund, Gratuity Fund, Encashment of leave at the end of the tenure of appointment as per the rules of the Company (These shall not be included in the computation of remuneration or ceiling on the perquisites);
- **Medical Reimbursement Expenses:** For self and family including premium payable for medical insurance;
- **Personal Accident Insurance:** As per the rules of the Company;
- **Leave Travel Concession:** For self and family once in a year as per the rules of the Company;
- **Fee for Clubs:** Subject to maximum of two clubs excluding admission and life membership fees;
- **Others:** Such other allowances, perquisites, benefits and amenities as may be provided by the Company from time to time.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to alter and vary the terms and conditions of appointment and/ or remuneration, subject





to the Companies Act, 2013 and rules made thereunder (including any statutory modifications or re-enactment thereof), and all other applicable rules, regulations, statute or laws for the time being in force.

**RESOLVED FURTHER THAT** Mr. V. P. Nandakumar, Chairman and Mr. S. V. Raja Vaidyanathan, Managing Director of the Company be and are hereby severally authorized to negotiate and execute on behalf of the Company, the employment agreement, deed of covenant and such other documents as may be required to be executed between the Company and Mr. B. N. Raveendra Babu.

**RESOLVED FURTHER THAT** Mr. S. V. Raja Vaidyanathan, Managing Director, Mr. Yogesh Ratnakar Udhoji, Chief Financial Officer and Mr. Anup Kumar Gupta, Company Secretary of the Company be and are hereby authorized severally to do the necessary filing(s) and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient, necessary and/ or desirable to give effect to this resolution."

For and on behalf of Board of Directors  
**ASIRVAD MICRO FINANCE LIMITED**

**Place: Chennai**

**Date: 30<sup>th</sup> May, 2020**

**Anup Kumar Gupta**  
**Company Secretary**  
**Membership No.: 34370**

**NOTES:**

1. An explanatory statement as required under Section 102 of the Companies Act, 2013 in respect of the special business specified above is annexed hereto.
2. Due to the outbreak of pandemic COVID-19, the Ministry of Corporate Affairs came with its Circulars dated 5<sup>th</sup> May, 2020 read with Circulars dated 8<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020 and 15<sup>th</sup> June, 2020 whereby it is permissible to convene the Annual General Meeting of the Company through Video Conferencing/ Other Audio Visual Means (OAVM).
3. As the Meeting is proposed to be held through Video Conferencing/ OAVM and physical presence of Members are not required, therefore, in adherence to aforesaid circulars the proxy facility will not be provided in present meeting.
4. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting in terms of Section 113 of the Companies Act, 2013.
5. The notice is being sent to all the members of the Company, whose names appear on the register of members/ record(s) of depositories as on 30<sup>th</sup> May, 2020.
6. Members may also note that the Notice of the Thirteenth Annual General Meeting and the Annual Report for year ended 31<sup>st</sup> March, 2020 will also be available on the Company's website <https://asirvadmicrofinance.co.in> for their download. The Company has a dedicated e-mail address "[sec@asirvad.in](mailto:sec@asirvad.in)" for members to mail "their queries or lodge complaints, if any. We will endeavour to reply to your queries at the earliest.
7. Electronic copy of the Notice of the aforesaid Annual General Meeting of the Company along with the Annual Report of the Company is being sent to all the Members on their registered mail id. As the present Meeting is proposed to be held through video conferencing/ OAVM, therefore no physical copies will be dispatched to the Members/ Trustees/ Debenture holders/ any other person.



8. Members can inspect the Register of Director and key managerial personnel and their shareholding in terms of Section 170 of the Companies Act, 2013, Register of Members & Register of Contract or Arrangements as maintained under Section 88 & 189 of the Companies Act, 2013, respectively and such other relevant documents through electronic mode and can place the request on [sec@asirvad.in](mailto:sec@asirvad.in) in this regard.
9. We urge members to support our commitment to environmental protection by choosing to receive their shareholding communication through email. You can do this by updating your email addresses with your depository participants.
10. Details as required as per Secretarial Standard-2 issued by the Institute of Company Secretaries of India in respect of the Directors seeking appointment at the Annual General Meeting, forms integral part of the notice. Requisite declarations have been received from the Directors for seeking appointment.
11. As the present meeting is proposed to be held through video conferencing/ OAVM, so the route map is not annexed with this Notice.

**Process for attending the Meeting:**

- To attend the meeting through VC mode, a link will be forwarded to your registered e-mail ID, 24 hours prior to the start of the meeting.

The shareholders can use a laptop or an android mobile phone with a good Internet connectivity to access the link.

On accessing the link, you will be prompted to enter the Meeting ID and the Password. The meeting ID and the Password will be mailed to you along with the meeting link.

Upon entering the Meeting ID and Password, you will be connected to the virtual meeting room.



- For any technical support Members are requested to kindly contact Mr. B. Jeganathan on [jeganathanb@asirvad.in](mailto:jeganathanb@asirvad.in).

**Place: Chennai**

**Date: 30<sup>th</sup> May, 2020**

For and on behalf of Board of Directors  
**ASIRVAD MICRO FINANCE LIMITED**

**Anup Kumar Gupta**

**Company Secretary**

**Membership No.: 34370**



## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ATTACHED ALONGWITH THE NOTICE DATED 30<sup>th</sup> May, 2020**

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### **ITEM NO. 4 & 5**

Being into the business of Micro Finance, the Company requires more funds from various lenders of repute to run its operations smoothly and consistently. As the business requirements of the Company is growing at a fast pace and to enable an active borrowing program by the Company and to access funds at most competitive rate(s), the Company may consider undertaking different forms of borrowings including but not limited to term loan(s), working capital facilities, inter corporate deposit(s), commercial paper, debentures, sub-debt, other non-convertible or convertible debt instruments and/or other fund based facilities whether secured or unsecured or structured or unstructured as may be allowable to be mobilized by the Company. In this regard, it is proposed to enhance the borrowing limits from Rs.6,000 Crore (Rupees Six Thousand Crores) to Rs.7,500 Crore (Rupees Seven Thousand Five Crore) over and above the paid-up share capital, free reserves and securities premium of the Company.

Pursuant to Section 180(1)(c) of the Companies Act, 2013 a Company will require Members approval if the outstanding borrowings together with the money proposed to be borrowed exceeds the aggregate of paid-up share capital, free reserves and securities premium , apart from temporary loans obtain from its bankers' in the ordinary course of business.

Accordingly, it is proposed to seek approval of the Members under Section 180(1)(c) of the Companies Act, 2013, to authorise the Board of Directors to borrow monies in excess of the aggregate of paid-up share capital, free reserves and securities premium of the Company but the same shall not exceed Rs.7,500 Crore (Rupees Seven Thousand Five Crore).

Further, pursuant to Section 180(1)(a) of the Companies Act, 2013, approval of the Members by special resolution is required to create charge on the Movable or Immovable which can be pledge, mortgage and/or charged and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a fixed or floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of Banks, Financial Institutions, any other lenders or debenture trustees to secure the amount borrowed by the Company or any third

party from time to time for the due payment of the principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings, subject to without any limits as approved by members under Section 180(1) (a) of the Act.

Accordingly, it is proposed to seek approval of the Members for the aforesaid matter in terms of Section 180(1)(a) of the Companies Act, 2013.

The Board of Directors of the Company at its Board Meeting held on 12<sup>th</sup> May, 2020 has already approved the above stated proposal and recommended the same as contained in Item no. 4 and 5 of the Notice, to the Members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested financially or otherwise in the proposed resolution as set out in the Notice.

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

#### **ITEM NO. 6**

In terms of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013, a Company may, subject to the provisions of that section, make an offer or invitation for subscription of securities including non-convertible debentures, commercial papers or any other debt securities by way of private placement. Further, in terms of Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions, if any, of the said Act, Directions/Guidelines by the Regulators or any other statutory authorities issued from time to time, a Company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the shareholders of the Company by a Special Resolution, for each of the offers or invitations. However, in case of an offer or invitation for subscription to the Non-Convertible Debentures (NCD), it shall be sufficient if the

Company passes a previous Special Resolution only once in a year for all the offers or invitation for such debentures during the year.

Further, it is also specified that the Special Resolution passed by the Members in terms of Section 42 of the Companies Act, 2013 shall be valid for a period of twelve months.

Accordingly, in view of the aforesaid provisions and considering the increasing volume of business of the Company, the need to diversify the sources of funding and the cost of each of the sources and subject to the provisions of Section 42 of Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions, if any, of the said Act, Directions/Guidelines by the Regulators or any other statutory authorities issued from time to time, your Company intends to offer or invite subscription to Non-convertible Debentures up to an amount not exceeding Rs.3,000 Crore (Rupees Three Thousand Crore only) and Commercial Papers up to an amount not exceeding Rs.1,000 Crore (Rupees One Thousand Crores only) on private placement basis, in one or more tranches, subject to the condition that the amount accepted in the form of the said Non-Convertible Debentures and Commercial Paper(s) put together with the existing borrowings and future borrowings would be within the limits specified by the Members in terms of Section 180(1) (c) of "the Act".

The terms of issue of the above Non-Convertible Debentures and Commercial Papers would depend upon the requirement of the funds, time of issue, market conditions and alternative sources of funds available to the Company and would be decided by the Company in consultation with the merchant bankers / arrangers, if any appointed by the Company for the purpose. All the required details/ disclosures relating to the issue would be made available in the respective information memorandum.

In order to issue Non-Convertible Debentures and Commercial Papers by way of an offer or invitation for subscription on private placement and in terms of the above mentioned provisions of "the Act" and rules, subject to Directions/ Guidelines by the Regulators or any other statutory authorities issued from time to time, the prior consent of the members is sought at the Item No.6 stated above by way of a Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested financially or otherwise in the proposed resolution as set out in the Notice.

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

Further, the Board of Directors had already approved the aforesaid matter at their Meeting held on 12<sup>th</sup> May, 2020 and recommends the Special Resolutions as set out in the Notice for the approval of the Members of the Company.

#### **ITEM NO. 7**

In terms of Section 149, 150 and 152 and 161 and Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors), Rules 2014, the Independent Directors shall hold office for a period of up to 5 (five) consecutive years and shall not be liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of up to 5 (five) years each, however, the re-appointment is subject to the approval of Members by way of Special Resolution.

The Board has, based on the recommendation of Nomination and Remuneration Committee of the Company, at its meeting held on 17<sup>th</sup> March, 2020, approved the appointment of Mr. Subrata Kumar Atindra Mitra (DIN - 00029961) as Additional Director after evaluating his eligibility, due diligence of all the document submitted by him and considering various other performance related parameters such as his vast experience as well as expertise in the Micro Finance sector and he shall hold office till the conclusion of the this Annual General Meeting.

Further, at the aforesaid Meeting it was also approved to appoint Mr. Subrata Kumar Atindra Mitra as an Independent Director, not liable to retire by rotation, on the Board of the Company for a term up to 31<sup>st</sup> December, 2022, which was subject to the approval of Members of the Company at the Annual General Meeting.



Now, the Company is in receipt of a Notice as per Section 160 of the Companies Act, 2013, thereby proposing the appointment of Mr. Subrata Kumar Atindra Mitra as an Independent Director of the Company.

All the disclosures/ documents including the declaration to the effect that he meets the criteria of independence as provided in sub section (6) of Section 149 of the Companies Act, 2013 as received from Mr. Subrata Kumar Atindra Mitra will be placed at the Meeting.

In the opinion of the Board, Mr. Subrata Kumar Atindra Mitra fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company.

In view of the above, the consent of the Members by way of Ordinary Resolution is required for the proposed appointment of Mr. Subrata Kumar Atindra Mitra as an Independent Director in pursuance to Section 149 of the Companies Act, 2013.

The nature of expertise of Mr. Subrata Kumar Atindra Mitra, including his, educational and professional qualifications, nature of working experience, achievements, name(s) of the companies in which he holds directorships (if any), memberships and chairmanships in various Committees, his shareholding (if any) in the Company, relationship between directors inter-se are provided in the **Annexure A** of this Notice.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Subrata Kumar Atindra Mitra up to the extent of his appointment, are in any way concerned or interested financially or otherwise in the proposed resolution as set out in the Notice.

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

The Board recommends the Ordinary Resolution as set out at Item No.7 of the Notice for the approval of the Members of the Company.

#### **ITEM NO. 8**

In terms of Section 149, 150 and 152 and 161 and Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors), Rules 2014, the Independent Directors shall hold office for a period of up to 5 (five) consecutive years and shall not be liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of up to 5 (five) years each, however, the re-appointment is subject to the approval of Members by way of Special Resolution.

The Nomination and Remuneration Committee of the Company at its meeting held on 17<sup>th</sup> March, 2020 recommended the appointment of Mr. Abhijit Sen (DIN - 00002593) after evaluating his eligibility, due diligence of all the documents submitted by him and considering various other performance related parameters such as his vast experience as well as expertise in the Micro Finance sector.

Thereafter, on the recommendation of Nomination & Remuneration Committee, Mr. Abhijit Sen was appointed as an Additional Director of the Company by the Board of Directors at their Meeting held on 17<sup>th</sup> March, 2020, who shall hold the office till the conclusion of the ensuing Annual General Meeting.

Further, at the aforesaid Meeting it was also approved to appoint Mr. Abhijit Sen as an Independent Director, not liable to retire by rotation, on the Board of the Company for a term of five years, which was subject to the approval of Members of the Company at the Annual General Meeting.

Now, the Company is in receipt of a Notice as per Section 160 of the Companies Act, 2013, thereby proposing the appointment of Mr. Abhijit Sen as an Independent Director of the Company.

All the disclosures/ documents including the declaration to the effect that he meets the criteria of independence as provided in sub section (6) of Section 149 of the Companies Act, 2013 as received from Mr. Abhijit Sen will be placed at the Meeting.

In the opinion of the Board, Mr. Abhijit Sen fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company.

In view of the above, the consent of the Members by way of Ordinary Resolution is required for the proposed appointment of Mr. Abhijit Sen as an Independent Director in pursuance to Section 149 of the Companies Act, 2013.

The nature of expertise of Mr. Abhijit Sen, including his, educational and professional qualifications, nature of working experience, achievements, name(s) of the companies in which he holds directorships (if any), memberships and chairmanships in various Committees, his shareholding (if any) in the Company, relationship between directors inter-se are provided in the **Annexure A** of this Notice.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Abhijit Sen up to the extent of his appointment, are in any way concerned or interested financially or otherwise in the proposed resolution as set out in the Notice.

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

The Board recommends the Ordinary Resolution as set out at Item No.8 of the Notice for the approval of the Members of the Company.

#### **ITEM NO. 9**

As Mr. S. V. Raja Vaidyanathan, Managing Director of the Company has informed the management about his will to retire from the office of Managing Director of the Company in July, 2021, accordingly for smooth flow of operations it is required to appoint Managing Director of the Company before the retirement of Mr. S. V. Raja Vaidyanathan.

Accordingly, the Nomination and Remuneration Committee of the Company passing a resolution through circulation dated 27<sup>th</sup> May, 2020 recommended the appointment of Mr. B. N. Raveendra Babu (DIN: 00043622), aged 68 years, as Joint Managing Director after evaluating his eligibility, due diligence of all the document submitted by him and considering various other performance related parameters such as his rich knowledge in NBFCs that will immensely benefit the Company.

Thereafter, on the recommendation of Nomination & Remuneration Committee, the Board of Directors at their Meeting held on 30<sup>th</sup> May, 2020 has considered and recommended the appointment of Mr. B. N. Raveendra Babu as Joint Managing Director to the Members of the Company.

Further, at the aforesaid Meeting it was also approved to appoint Mr. B. N. Raveendra Babu as Joint Managing Director on the Board of the Company for a term of five years, which was subject to the approval of Members of the Company at the Annual General Meeting.

As per the provisions of Section 196 of the Companies Act, 2013, the appointment of a Managing Director shall be made for a term not exceeding five years at a time and the appointment as well as terms & conditions of the said appointment including remuneration shall be approved by the Members of the Company at their Meeting.

Further, as per Section 196(3) of the Companies Act, 2013, a Company shall not appoint a person or continue the employment of a person as Managing Director, who has attained the age of seventy years.

However, an appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.

In view of the aforesaid provisions, as Mr. B. N. Raveendra Babu will cross the age limit of seventy years during his tenure of five years, if approved, therefore, it is proposed before the Members to consider the appointment of him by way of passing a Special Resolution.

**Brief Profile of Mr. B. N. Raveendra Babu:**

He has done his Post Graduate in Commerce and Management Accounting from CIMA, United Kingdom. He had also worked in Finance & Accounts Department of Blue Marine International, U.A.E. Furthermore, he is having a vast experience of more than 27 years in the field of Non-Banking Financial Institutions.

He was previously on the board of Manappuram Finance Limited, the Holding Company as a Whole Time Director. His experience in the NBFCs will benefit the business of the Company.

All the disclosures/ documents including the declaration as per Schedule V of the Companies Act, 2013 as received from Mr. B. N. Raveendra Babu will be placed at the Meeting.

The nature of expertise of Mr. B. N. Raveendra Babu, including his, educational and professional qualifications, nature of working experience, achievements, name(s) of the companies in which he holds directorships (if any), memberships and chairmanships in various Committees, his shareholding (if any) in the Company, relationship between directors inter-se are provided in the **Annexure A** of this Notice.

This Explanatory Statement may also be considered as the requisite abstract under Section 190 of the Companies Act, 2013 setting out the terms and conditions of appointment of Mr. B. N. Raveendra Babu as the Joint Managing Director of the Company.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. B. N. Raveendra Babu up to the extent of his appointment, are in any way concerned or interested financially or otherwise in the proposed resolution as set out in the Notice.

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

The Board recommends the Special Resolution as set out at Item No.9 of the Notice for the approval of the Members of the Company.

For and on behalf of Board of Directors  
**ASIRVAD MICRO FINANCE LIMITED**

**Anup Kumar Gupta**  
Company Secretary  
Membership No.: 34370

**Place: Chennai**  
**Date: 30<sup>th</sup> May, 2020**

## ANNEXURE TO THE NOTICE

**PURSUANT TO SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED / RE-APPOINTED IS FURNISHED BELOW:**

**Mr. Subrata Kumar Atindra Mitra**

<b>Name of the Director</b>	Mr. Subrata Kumar Atindra Mitra
<b>DIN</b>	00029961
<b>Date of first Appointment on the Board of the Company</b>	March 17, 2020
<b>AGE</b>	72 Years
<b>Qualification</b>	M.Sc. (Calcutta University); MBA (USA)
<b>Brief Profile/ Nature of Expertise</b>	<p>In the year 1977, Mr. Subrata Kumar Atindra Mitra started his career with Bank of India and played a vital role in setting up the Merchant Banking Division of the Bank. During the period from 1978 to 1984, he worked for Standard Chartered Bank in Mumbai where he played a role of advisor for several domestic and international business houses in setting up manufacturing projects in India.</p> <p>Later, in year 1985, he joined American Express Bank and was the head of Corporate Banking and Investment Banking in India. He also worked for the GIC Mutual Fund, Aditya Birla Group. He joined Aditya Birla Group in 1994 as Director, Financial Services.</p> <p>Served as Independent Director on the Board and Committees of several reputed organization. Currently, he is India Correspondent for Asia Asset Management, Hong Kong.</p>
<b>Terms and conditions of appointment</b>	As per appointment letter
<b>Remuneration last drawn</b>	None



<b>Names of other companies in which the person also holds the directorship as at March 31, 2020</b>	Centrum Capital Limited Cheminova India Limited Robocash Private Limited L&T Mutual Fund Trustee Limited		
<b>Names of companies in which the person also holds the membership of Committees of the Board as at March 31, 2020</b>	<b>Name of the Company</b>	<b>Name of the Committee</b>	<b>Designation</b>
	Cheminova India Limited	<ul style="list-style-type: none"> <li>➤ Audit Committee;</li> <li>➤ CSR Committee;</li> <li>➤ Nomination and Remuneration Committee</li> </ul>	Member
<b>Shareholding in Asirvad Micro Finance Limited</b>	Nil		
<b>Relationship between directors inter-se</b>	None		
<b>Number of Meetings of the Board attended during the Financial Year - 2019-20</b>	One (17 <sup>th</sup> March, 2020)		

**Mr. Abhijit Sen**

<b>Name of the Director</b>	Mr. Abhijit Sen
<b>DIN</b>	00002593
<b>Date of first Appointment on the Board of the Company</b>	March 17, 2020
<b>AGE</b>	70 Years
<b>Qualification</b>	B.Tech (Hons), MBA
<b>Brief Profile/ Nature of Expertise</b>	Mr. Abhijit Sen retired as Chief Financial Officer- Citi Bank, India Subcontinent in 2015 after serving the organization for almost 20 years. Post Retirement, he is associated with the big four firm as an External Advisor, for their activities in the Banking and Financial Services Sector. He serves on several Boards including Kalyani Forge Limited, Trent Ltd, U Gro Capital, Ujjivan Micro-Finance Limited and Cashpor Microcredit. He also chairs the Audit Committee of reputed organizations. In the past, he was on the Board of National



	Securities Depository Limited (NSDL). He has a B.Tech (Hons) degree from the IIT, Kharagpur and a PGDM from the IIM, Kolkata with majors in Finance & Information System.		
<b>Terms and conditions of appointment</b>	As per appointment letter		
<b>Remuneration last drawn</b>	None		
<b>Names of other companies in which the person also holds the directorship as at March 31, 2020</b>	Natafim Agricultural Financing Agency Private Limited Ujjivan Financial Services Limited Trent Limited Cashpor Micro Credit Kalyani Forge Limited Veritas Finance Private Limited Ugro Capital Limited Tata Investment Corporation Limited Manappuram Finance Limited Booker Satnam Wholesale Private Limited Booker India Private Limited Pramerica Life Insurance Limited		
<b>Names of companies in which the person also holds the membership of Committees of the Board as at March 31, 2020</b>	<b>Name of the Company</b>	<b>Name of the Committee</b>	<b>Designation</b>
	Tata Investment Corporation Limited	➤ Audit Committee	Chairman
	Trent Limited	➤ Audit Committee; ➤ Nomination and Remuneration Committee; ➤ CSR Committee	Chairman  Member  Member
	Ujjivan Financial Services Limited	➤ Audit Committee; ➤ Nomination and Remuneration Committee; ➤ CSR Committee	Member Chairman  Member
	Kalyani Forge Limited	➤ Audit Committee; ➤ Nomination and Remuneration Committee;	Chairman Member  Member





		➤ Stockholder Committee	
	Ugro Capital Limited	➤ Audit Committee; ➤ Nomination and Remuneration Committee; ➤ Risk Committee; ➤ Borrowing & Investment Committee; ➤ ALCO	Chairman Member Member Member
	Booker India Private Limited	➤ Audit Committee	Member
	Manappuram Finance Limited	➤ Audit Committee	Chairman
	Veritas Finance Private Limited	➤ Audit Committee; ➤ Risk Committee; ➤ Nomination and Remuneration Committee	Member Member Member
	Netafim Agricultural Financing Agency Private Limited	➤ Audit Committee	Member
<b>Shareholding in Asirvad Micro Finance Limited</b>	Nil		
<b>Relationship between directors inter-se</b>	None		
<b>Number of Meetings of the Board attended during the Financial Year - 2019-20</b>	One (17 <sup>th</sup> March, 2020)		

**Mr. B. N. Raveendra Babu**

<b>Name of the Director</b>	Mr. B. N. Raveendra Babu
<b>DIN</b>	00043622
<b>Date of first Appointment on the Board of the Company</b>	10 <sup>th</sup> February, 2015



<b>AGE</b>	68 Years		
<b>Qualification</b>	M.Com., Management Accounting From U.K.		
<b>Brief Profile/ Nature of Expertise</b>	<p>He has done his Post Graduate in Commerce and Management Accounting from CIMA, United Kingdom. He had also worked in Finance &amp; Accounts Department of Blue Marine International, U.A.E. Furthermore, he is having a vast experience of more than 27 years in the field of Non-Banking Financial Institutions.</p> <p>He was previously on the board of Manappuram Finance Limited, the Holding Company as a Whole Time Director. s</p>		
<b>Terms and conditions of appointment</b>	As per the agreement		
<b>Remuneration last drawn</b>	None		
<b>Names of other companies in which the person also holds the directorship as at March 31, 2020</b>	Manappuram Finance Limited; Manappuram Insurance Brokers Limited; Manappuram Comptech and Consultants Limited		
<b>Names of companies in which the person also holds the membership of Committees of the Board as at March 31, 2020</b>	<b>Name of the Company</b>	<b>Name of the Committee</b>	<b>Designation</b>
	Manappuram Insurance Brokers Limited	➤ Audit Committee	Member
<b>Shareholding in Asirvad Micro Finance Limited</b>	50,166 Equity Shares of Rs.10/- each		
<b>Relationship between directors inter-se</b>	None		
<b>Number of Meetings of the Board attended during the Financial Year - 2019-20</b>	7 (Seven)		