



## **NOTICE of 7<sup>th</sup> (SEVENTH) ANNUAL GENERAL MEETING**

Notice is hereby given that the 7<sup>th</sup> (Seventh) Annual General Meeting of the Members of M Power Micro Finance Private Limited will be held on Monday, 11<sup>th</sup> July, 2016 at 11:30 a.m. at the Registered Office of the Company at B-212, Arjun Centre, Plot No. 231, Govandi Station Road, Govandi, Mumbai – 400 088, to transact the following business :

### **Ordinary Business:**

- Item No. 1.** To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2016, together with the Reports of the Board and the Auditors thereon; and
- Item No. 2.** Ratification of Appointment of Statutory Auditors.

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 139,142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and the resolution passed by the Shareholders at the 6<sup>th</sup> Annual General Meeting held on 6<sup>th</sup> June, 2015, the Company hereby ratifies the appointment of M/s. G. M Kapadia & Co, Chartered Accountants, Mumbai (Firms Registration No. 104767W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors and the Auditors, plus out of pocket expenses.”

### **Special Business:**

- Item No.3:** **Alteration of Articles of Association of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 5, 14 and other applicable provisions, if any, of the Companies Act, 2013 and Rules thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions of appropriate authorities, departments or bodies as may be necessary, the Articles of Association of the Company, be and is hereby altered in following manner:

- (a) In part A of Articles of Association of the Company, existing Clause (i) of Article 6 be and is hereby substituted with the following new Clause:

“If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production



and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of sum not exceeding fifty rupees for each certificate.”

- (b) In part A of Articles of Association of the Company, existing Article 44 be and is hereby substituted with the following new Clause:

“(i) The provisions of Section 101 of the Act shall not apply except to the extent expressly provided herein.

(ii) All general meetings other than annual general meeting shall be called extraordinary general meeting.”

- (c) In part A of Articles of Association of the Company, existing Clause (ii) of Article 45, be and is hereby substituted with the following new Clause:

“A general meeting of the Company may be called by giving the shareholders not less than 7 (seven) days’ notice or may be called after giving shorter notice if consent is accorded thereto by the shareholders in accordance with the provisions laid down under section 101 of the Act.”

- (d) In part A of Articles of Association of the Company, existing Clause (i) of Article 64 be and is hereby substituted with the following new Clause:

“A company may pay a sitting fee to a director for attending meetings of the Board or committees thereof, such sum as may be decided by the Board of directors thereof from time to time and in accordance with provisions of the Act.”

- (e) In part A of Articles of Association of the Company, existing Clause (ii) of Article 81 be and is hereby substituted with the following new Clause:

“Every deed or other instrument to which seal is required to be affixed, shall be signed by a Director or any other person authorized by resolution of Board or committee of the Board, in whose presence the seal shall be affixed.”

- (f) In part B of Articles of Association of the Company, existing Sub-Clause (b) of Clause 98.4 of Article 98 be substituted with the following:

**“Notice. A minimum 7 (Seven) days’** prior written notice shall be provided to all Shareholders of any proposed general meeting, accompanied by the agenda for such general meeting, unless approval for such general meeting to be called at shorter notice is given in accordance with the Act; *provided that* in case of an annual general meeting, the Board shall also provide the Company’s previous



Financial Year's audited financial statements to all Shareholders **at least 7 (Seven) days** before the annual general meeting is held to approve and adopt the audited financial statements."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to perform all acts, deeds and things, execute documents, and make all filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise."

**Item No.4: Approval of Employee Stock Option Scheme titled as "M POWER MICRO FINANCE PRIVATE LIMITED - EMPLOYEES STOCK OPTION SCHEME, 2016" (MPMF ESOP 2016):**

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

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013, and the rules framed thereunder and in accordance with the provisions of the Memorandum and Articles of Association of the Company, SEBI & Stock Exchange Regulations if any, provisions applicable if any of Listing Agreement entered into with BSE Limited where Non Convertible Debentures (NDCs) of the Company are listed and subject to approval and consent of all other appropriate statutory and regulatory authorities, and subject to such conditions and modifications as may be prescribed by the respective statutory and/or regulatory authorities while granting such approvals, consents, sanctions, permissions and subject to such conditions or modifications which may be agreed to by the Board, the Consent of the Members of the Company be and is hereby accorded to the Board (which term "Board" shall deem to include any Committee constituted / may be constituted), constituted or that may be constituted, by the Board to exercise its powers, including the powers conferred by this resolution) **"M POWER MICRO FINANCE PRIVATE LIMITED - EMPLOYEES STOCK OPTION SCHEME, 2016"** ( hereinafter referred to as **"MPMF ESOP 2016"**) and to create, offer and grant from time to time, upto 6,14,736 (Six Lac Fourteen Thousand Seven Hundred and Thirty Six Only) Employee Stock Options ("ESOPs") being not exceeding 5.00% (Five Percentage) of total equity share capital on a fully diluted Basis (i.e. 5.26% of existing paid-up equity share capital) of the Company existing on the passing of this Resolution, to the permanent employees including Directors of the Company ( other than Promoter(s) or employees belonging to the Promoter Group of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), whether whole time or otherwise, whether working in India or out of India (hereinafter referred to as an "Employee(s)"), as may be decided solely by the Board under the Scheme, exercisable into not more than 6,14,736 (Six Lac Fourteen Thousand Seven Hundred and Thirty Six Only) fully paid-up equity shares of the Company having face value of Rs. 10/- (Rupees Ten) each, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board from time to time, in accordance with the provisions of the Scheme, the Companies Act, 2013 and rules



made thereunder, SEBI & Stock Exchange Regulations if any, and in due compliance with other applicable laws and regulations.”

**“RESOLVED FURTHER THAT** all actions taken by the Board in connection with the above and all incidentals and ancillary things done are hereby specifically approved and ratified.”

**“RESOLVED FURTHER THAT** the Board be and is hereby further authorized to issue and allot equity shares upon exercise of ESOPs from time to time in accordance with the Scheme and such equity shares shall rank pari passu in all respects with the then existing equity shares of the Company.”

**“RESOLVED FURTHER THAT** the number of ESOPs that may be granted to the Employee(s), in any financial year and in aggregate under the Plan shall be less than 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company.”

**“RESOLVED FURTHER THAT** in case of any corporate action(s) such as change in par value of the share, Bonus Issue, rights issue, further issue of shares in any manner, change in capital structure, merger and/or sale of division/undertaking or other re-organization and others, appropriate adjustments shall be made either to the number of Options (vested as well as unvested) or the Exercise Price in respect of the Options or both the number and the Exercise Price of Options granted, to reflect such change without in any way affecting the rights of the said option holder and also preventing any dilution or enlargement of benefits of the Scheme.”

**“RESOLVED FURTHER THAT** in case the equity shares of the Company are either sub-divided or consolidated, then the number of options available for being granted under the Scheme, shall stand modified accordingly, so as to ensure that the cumulative paid up value (No. of shares X face value per share) of the total Equity shares arising out of exercise of options that can be issued; remains unchanged, without affecting any other rights or obligations of the option grantees.”

**“RESOLVED FURTHER THAT** the Board be and is hereby also authorized at any time to modify, change, vary, alter, amend, suspend or terminate the **“MPMF ESOP 2016”**, subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Shareholders and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the **“MPMF ESOP 2016”** and to do all other things incidental and ancillary thereof.”



**“RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the Act and Rule made there under and any other applicable laws and regulations to the extent relevant and applicable to the **“MPMF ESOP 2016”.**”

**“RESOLVED FURTHER THAT** the Board be and is hereby further authorized to do all such acts, deeds and things, as it may in its absolute discretion, deem necessary including appointment and authorization of any person / entity for effective implementation and administration of **“MPMF ESOP 2016”** as also to prefer applications to the appropriate authorities, parties and the institutions for their requisite approvals and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion may deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter 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. 5**      **Increase in Borrowing limits of the Company.**

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

**“RESOLVED THAT** in supersession of all the resolutions pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/ to be obtained from the Company’s Bankers in the ordinary course of business, shall not be in excess of Rs. 250 Crore (Rupees Two Hundred and Fifty Crore Only), over and above the aggregate of the paid up share capital and free reserves of the Company.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate to any committee of directors, the aforesaid power to borrow monies.”

**“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 may 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. 6. Creation of Charges on the assets of the Company.**

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

**“RESOLVED THAT** in supersession of all the resolutions pursuant to the provisions of Section 180(1)(a) 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 be and is hereby accorded to the Board of Directors of the Company for mortgaging / charging all or any of the immovable and movable properties of the Company both present and future and the whole or substantially the whole of the undertaking or the undertakings of the Company on such terms and conditions, as may be agreed to between the Board and Lender(s) to secure the loans / borrowings obtained or as may be obtained, which may exceed the paid-up capital and free reserves in the ordinary course of business but not exceeding Rs. 250 Crore (Rupees Two Hundred and Fifty Crore Only) over and above the aggregate of the paid up share capital and free reserves of the Company.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate to any committee of directors, the aforesaid power to create charge on the assets of the Company.”

**“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 may 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.”

**Date: 23/05/2016**  
**Place: Mumbai**

**For and on behalf of the Board of Directors,**

**Sd/-**  
**K. M. Vishwanathan**  
**DIN No. 02778043**  
**CEO and Director**



#### NOTES:

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

**The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**

- 2) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 3) A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Businesses to be transacted at the Meeting is annexed hereto.

Members are requested to:

- (a) Bring their copy of the Annual Report and Attendance Slip with them at the Annual General Meeting.
- (b) Quote their Regd. Folio Number in all their correspondence with the Company.

In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

- 4) Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and holidays, during business hours up to the date of the Meeting.
- 5) Members desirous of obtaining any information in respect of financial statements of the Company are requested to send their queries in writing to the company at its Registered Office so as to reach at least seven days before the date of the meeting.
- 6) Pursuant to SEBI circular, it is mandatory to quote PAN for transfer/transmission of shares in physical form. Therefore, the transferee(s)/ legal heirs are required to furnish a copy of their PAN to Company.

#### **Important Communication to Members**

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses with the Company.



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”):**

The following Statement sets out all material facts relating to the Special Businesses mentioned in the accompanying Notice:

**Item No. 3**

At the Annual General Meeting of the members held on 6<sup>th</sup> June, 2015, the Company obtained consent of members by way of Special Resolution for alteration of Articles of Association of the Company to bring it in line with the provisions of Companies Act, 2013.

The Board of Directors of the Company, at their Meeting held on 28<sup>th</sup> January, 2016, has decided to alter the Articles of Association of the Company in following manner.

**(a) Alteration of Article 6(i) relating to issue of new certificate in lieu of worn out, defaced, mutilated or torn, lost, destroyed certificate.**

Existing Article 6(i) provides for issue of new certificate in lieu of worn out, defaced, mutilated or torn, lost, destroyed certificate on payment of twenty rupees for each certificate.

As per Rule 6 of the Companies (Share Capital and Debentures) Rules, 2014, a Company may charge such fee as the Board thinks fit not exceeding fifty rupees per certificate issued on splitting or consolidation of share certificate(s) or in replacement of share certificate(s) that are defaced, mutilated, torn or old, decrepit or worn out, lost, destroyed.

To bring the existing Article 6(i) in line with aforesaid Rule 6 of the Companies (Share Capital and Debentures) Rules, 2014, the Board has suggested for altering suitably the said article providing for fee for issue of new certificate on payment of such sum not exceeding fifty rupees per certificate.

**(b) Alteration of Article 44, 45(ii) and 98(98.4)(b) relating general meetings of members/shareholders.**

The Ministry of Corporate Affairs (‘MCA’) has, vide its notification dated 5<sup>th</sup> June 2015, has granted certain exemptions to private companies from the compliance of the certain provisions of the Companies Act, 2013, including Section 101 of the Act relating to the notice of general meeting if articles of the company provides otherwise.

With a view to ensure expeditious decision making in the matter for which member’s approval is mandatory under the Act, the Board of Directors of the Company has decided to alter:

- (i) Article 44 to provide expressly that Section 101 of the Act shall not apply except to the extent expressly provided in the Article of Association.
- (ii) Article 45(ii) and Article 98(98.4)(b) to reduce the length of Notice period for calling of general meeting of members from 21 (twenty-one) days’ to 7 (Seven) days’ with provision that such general meetings may also be called after giving a shorter notice in accordance with the provisions of the Act.





**(c) Article 64(i) relating to sitting fees to Directors.**

Existing Article 64(i) provides for payment of sitting fees to Directors not exceeding Rs. 7,500/- for every meeting of the Board or committee thereof, attended to by him/her as may be decided by the board from time to time. For payment of sitting fees exceeding Rs. 7,500/- will require the alteration of articles of association of the Company. Therefore, to facilitate payment of sitting fee exceeding Rs.7500/- to the directors for attending every meeting of the Board or committee thereof, the Board of Directors has recommended to alter existing Article 64(i), conferring authority on the Board to decide the quantum of the sitting fee payable to directors in accordance with the provisions of the Act.

**(d) Article 81(ii) relating to Common seal.**

The Ministry of Corporate Affairs has notified the Companies (Amendment) Act, 2015, on 26<sup>th</sup> May, 2015, by which the provisions relating to common seal has been made optional.

As the members are aware that Company is engaged in the business of financing activity in which signing and execution of several legal instruments like loan agreements, credit facility agreements, deeds of hypothecation, deeds of mortgages, power of attorneys, facility agreements, demand promissory notes and any other ancillary/similar/incidental agreements, deeds, writings, papers etc. and affixation of common seal thereon is customary and routine necessity.

The existing Sub-Clause (ii) of Clause 81 relating to Common seal, of Articles of Association of the Company provides that the seal of the Company shall be affixed to any instrument in the presence of at least two directors and of the secretary or such other person as the Board or Committee of the Board authorizes in that regard and those two directors and the secretary or other person so authorized shall also sign every instrument to which the seal of the Company is so affixed in their presence.

In place of requirement of having two directors and secretary or such other person as aforesaid which cause unnecessary delay and administrative inconvenience in execution of aforesaid legal instruments, directly affecting operations of the Company, the Board of Directors is of the view that it would be advisable to keep only one/single person as authorized by the Board or Committee of the Board in whose presence common seal shall be affixed and who shall also sign every such instruments.

In terms of Section 14 of Act, any amendment/alteration in the Articles of Association of the Company requires approval of the Members of the Company by way of Special Resolution.

The Board recommends the Resolution as set out at Item No. 3 in the Notice convening the Meeting, for consideration and approval by the Members by way of Special Resolution.

None of the Directors, key managerial personnel and their relatives is interested, financially or otherwise in the above Resolution.



**Item No. 4:**

With a view to attract, reward, motivate and retain Company's employees for high levels of individual performance and to recognize the unusual efforts put in place by the employees to improve the financial and overall performance of the Company, which will ultimately contribute to the success of the Company, the Board of Directors of the Company at its meeting held on 28<sup>th</sup> January, 2016 decided to offer grant of options to the employees of the Company under the scheme titles as "M POWER MICRO FINANCE PRIVATE LIMITED- EMPLOYEES STOCK OPTION SCHEME, 2016 (MPMF ESOP 2016)" (hereinafter referred to as "**MPMF ESOP 2016**"), thereby allowing employees to subscribe for Shares of the Company; at a pre-determined price, making them part owners of the Company, by virtue of such shareholding and as an incentive for higher performance levels.

The salient features of the **MPMF ESOP 2016** are as under:-

**(i) Total number of Options to be granted:**

- (a) A total of 6,14,736 (Six Lac Fourteen Thousand Seven Hundred and Thirty Six Only) Employee Stock Options would be available for grant to the eligible employees under the scheme.
- (b) Number of options shall be adjusted due to any corporate action(s) such as change in par value of the share, Bonus Issue, rights issue, further issue of shares in any manner, change in capital structure, merger and/or sale of division/undertaking or other re-organization and others, split, consolidation of shares.
- (c) Each option when exercised would give the option holder a right to get one fully paid equity share of the Company.

**(ii) Employees entitled to participate in the MPMF ESOP 2016:**

An Employee who qualifies for issue of Options under this Scheme and who fulfills the conditions as decided in the appraisal process by the Board and who is otherwise nominated by the Board as being eligible for issue of Options. However the following persons shall not be eligible to participate in the Scheme:

- (a) An employee who is a promoter or a person belonging to the Promoter Group; or
- (b) A director who either by himself or through his relative/s or through anybody corporate, directly or indirectly, holds more than 10% of the issued and subscribed shares of the Company.

**(iii) Appraisal process for determining the eligibility of employees to the MPMF ESOP 2016.**

Appraisal process for determining the eligibility to participate in the scheme, shall be decided by the Board, taking into account various aspects like qualification, designation, present grade of employee, experience, period of service of employee, present grade and compensation structure of employee, potential of the individual and criticality of the position, performance levels (past and current), future performance indicators, exceptional contribution made by the employee integrity and behavior of the employee and such other parameters as it may decide.



**(iv) Requirements of vesting and period of vesting:**

The options granted shall vest so long as the employee continues to be in the employment of the Company. The vesting period shall be decided by the Board / Committee from time to time but shall not be less than 1 year and not more than 3 years from the date of grant of options. Vesting may happen in one or more tranches.

**(v) Maximum period within which the options shall be vested:**

Options granted under MPMF ESOP 2016 would vest subject to maximum period of 3 years from the date of grant of such Options.

**(vi) Exercise price or the formula for arriving at the same:**

The exercise price of the option shall be at par value of the share. The Exercise Price shall be paid to the Company in cash upon exercise of the options. The Exercise Price and/or the pricing formula may be decided / altered by the Board from time to time. Employee shall bear all tax liability in relation to grant of options.

**(vii) Exercise period and process of exercise:**

The vested options shall be allowed for exercise on and from the date of vesting. The vested Options need to be exercised within a maximum period of 3 years from the date of vesting of such Options.

The vested Option shall be exercisable by the employees by a written application to the Company expressing his/ her desire to exercise such options in such manner and on such format as may be prescribed by the Board / Committee from time to time. The options shall lapse if not exercised within the specified exercise period.

**(viii) Lock-in period.**

The shares allotted pursuant to exercise of options would be lock-in period of one year from the date of allotment of shares.

**(ix) Maximum number of options to be granted per employee and in aggregate:**

The maximum number of options that may be granted to any one employees; may be equal to or not exceeding 1% of the issued capital of the Company at the time of grant of such options.

**(x) Method which the company shall use to value its options:**

The method for valuation of options shall be determined by the Board / Committee from time to time in accordance with provisions of applicable laws and accounting standards.

**(xi) Conditions under which option vested in employees may lapse;**

The option vested shall lapse in the conditions as specified in the Scheme.

**(xii) Specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee.**

In the event of proposed termination of employment or resignation of employee, employee shall have to compulsorily exercise all the options vested within a period of 30 (Thirty) days from



the date of resignation / termination. In the event that the options are not exercised within this period, the Options not so exercised would lapse.

**(xiii) Accounting and Disclosure Policies:**

The Company shall follow the relevant accounting standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

In terms of provisions of Section 62(1) (b) and all other applicable provisions, if any, of the Companies Act, 2013 consent of the Shareholders is being sought by way of a Special Resolution set out at Item No. 4 of this Notice.

A copy of the draft ESOP Scheme 2016 - MPMF ESOP 2016 will be available for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and holidays, during business hours up to the date of the Meeting.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned in the aforesaid Special Resolution, except to the extent of their entitlements, if any, under the Plan.

Your Directors recommend the Special Resolution proposed at Item No. 4 of this Notice for your approval.

**Item No. 5 & 6:**

In terms of the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of the Company in General Meeting, borrow moneys, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of aggregate of the paid up capital and its free reserves (reserves not set apart for any specific purpose).

At the Annual General Meeting of the Company held on 6<sup>th</sup> June, 2015, the shareholders had accorded consent to the Board of Directors for borrowing any sum or sums of money outstanding at any point of time, not exceeding the sum of Rs. 125 Crore (Rupees One Hundred and Twenty Five Crore Only).

Further, the Ministry of Corporate Affairs ('MCA') has, vide its notification dated 5<sup>th</sup> June 2015, has granted exemptions to private companies from the compliance of Section 180 of the Act which provides for power of Board of Directors to sell, lease or otherwise dispose of the undertaking of the company in Clause (a) of sub-section (1) and to borrow money in excess of aggregate of its paid-up share capital and free reserves in Clause (c) of sub-section (1). Hence, the Company shall not be required to adhere to provisions of Section 180 of the Act pursuant to this exemption.

Your Company is experiencing that, in spite of aforesaid exemption to private companies, the Banks / FIs / NBFCs / other lenders often ask for borrowing power authority, granted by the Shareholders to the Board and your Board is also of the opinion that it would be prudent to obtain approval of shareholders for the purpose of borrowing money and to create mortgage or charge on the Company's assets.



Keeping in view the growing trend in the business of the Company and foreseeing the business expansion strategy in the coming years, the Board at its meeting held on 23<sup>rd</sup> May, 2016, decided to increase the above borrowing limits from Rs. 125 Crore (Rupees One Hundred and Twenty Five Crore Only) to Rs. 250 (Rupees Two Hundred and Fifty Crore Only) over and above the aggregate of the paid up share capital and free reserves of the Company.

The proposed borrowings by the Company, if required, is to be secured by mortgage or charge on all or any of the movable or immovable or any other tangible and intangible assets / properties of the Company (both present & future), in favor of any lender including the financial institutions / banks / debenture trustees, other lenders etc. in such form, manner and ranking as may be determined by the Board from time to time, in consultation with the lender(s).

The mortgage and / or charge on any of the movable and / or immovable or any other tangible and intangible assets / properties and / or the whole or any part of the undertaking(s) of the Company, to secure borrowings of the Company with a power to the charge holders to take over the management of the business of the Company in certain events of default, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Act.

The resolutions contained in item no. 5 & 6 of the accompanying Notice, accordingly, seek members' approval for increasing the borrowing limits and disposal of the Company's undertaking(s) by creation of mortgage / charge etc. thereon and for authorizing the Board of Directors (including a Committee thereof authorized for the purpose) of the Company to complete all the formalities in connection with the increase in the borrowing limits and creating charge on Company's properties, respectively.

The Board recommends the Resolutions as set out at Item No. 5 & 6 in the Notice convening the Meeting, for consideration and approval by the Members by way of Special Resolution.

None of the Directors or key managerial personnel of the Company or their relatives is / are, in any way concerned or interested in the proposed resolutions.

**Date: 23/05/2016**  
**Place: Mumbai**

**For and on behalf of the Board of Directors,**

**Sd/-**  
**K. M. Vishwanathan**  
**DIN No. 02778043**  
**CEO and Director**



**M POWER MICRO FINANCE PRIVATE LIMITED**

**CIN: U65999MH2009PTC197149**

**Regd. Office:** B-212, Arjun Centre, Plot No. 231, Govandi Station Road, Govandi, Mumbai, Maharashtra 400088

**Corporate office:** 3<sup>rd</sup> Floor, Amin Chambers, 85 B Sampatroa Colony, Alkapuri, Vadodara 390007

**Phone: 0265313141/42 Website: [www.mpowermicro.com](http://www.mpowermicro.com), Email: [contact@mpowermicro.com](mailto:contact@mpowermicro.com)**

**ATTENDANCE SLIP**

I hereby record my presence at the 7<sup>h</sup> Annual General Meeting of the M Power Micro Finance Private Limited held on Monday, 11<sup>th</sup> July, 2016 at 11:30 a.m at its Registered Office at B-212, Arjun Centre, Plot no. 231, Govandi Station Road, Govandi, Mumbai – 400 088.

Folio No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

Full name of the Member (IN BLOCK LETTERS) \_\_\_\_\_

Full name of Proxy (IN BLOCK LETTERS) \_\_\_\_\_

**Member's/Proxy's Signature** \_\_\_\_\_

**Note:** Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting Hall.

-----Tear from here-----

**M POWER MICRO FINANCE PRIVATE LIMITED**

**CIN: U65999MH2009PTC197149**

**Regd. Office:** B-212, Arjun Centre, Plot No. 231, Govandi Station Road, Govandi, Mumbai, Maharashtra 400088

**Corporate office:** 3<sup>rd</sup> Floor, Amin Chambers, 85 B Sampatroa Colony, Alkapuri, Vadodara 390007

**Phone: 0265313141/42 Website: [www.mpowermicro.com](http://www.mpowermicro.com), Email: [contact@mpowermicro.com](mailto:contact@mpowermicro.com)**

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014

Name of the members	
Registered Address	
Email ID	
Folio No. / Client ID	

I/We being a member / members of \_\_\_\_\_ shares of the above named company, hereby appoint  
1).....of.....having email id .....or failing him  
2) .....of.....having email id ..... or failing him  
3) .....of.....having email id ..... or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 7<sup>th</sup> Annual General Meeting of the company, to be held on Monday, 11<sup>th</sup> July, 2016 at 11:30 a.m at its Registered Office at B-212, Arjun Centre, Plot No. 231, Govandi Station Road, Govandi, Mumbai, Maharashtra 400088 and at any adjournment thereof in respect of such resolutions as are indicated below :



Resolution No.	Resolution(s)	For	Against
1	Adoption of Financial Statements for the year ended 31 <sup>st</sup> March, 2016.		
2	Ratification of Appointment of Statutory Auditors		
3	Alteration of Articles of Association of the Company.		
4	Approval of ESOP Scheme.		
5	Increase in Borrowing limits of the Company.		
6	Creation of Charges on the assets of the Company.		

Signed ..... day of..... 2016

Affix Re.1 Revenue Stamp
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\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of 1<sup>st</sup> proxy holder

\_\_\_\_\_  
Signature of 2<sup>nd</sup> proxy holder

\_\_\_\_\_  
Signature of 3<sup>rd</sup> proxy holder

**Note:**

1. The proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.