



NOTICE

NOTICE IS HEREBY GIVEN THAT THE EXTRA-ORDINARY GENERAL MEETING (EGM) OF THE MEMBERS OF THE COMPANY WILL BE HELD ON OCTOBER 29, 2014 AT 2.00 P.M. AT HO S-2/639 -56, VARUNA VIHAR COLONY, J.P. MEHTA ROAD, CANTT, VARANASI – 221002 INDIA TO TRANSACT THE FOLLOWING BUSINESS:

SPECIAL BUSINESS:

1) Increase in Authorized Capital 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 the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013, the authorized share capital of the company be and is hereby increased from ₹55,00,00,000/- (Rupees Fifty Five Crore) which is divided into 5,20,00,000 (Five Crore Twenty Lakh) equity shares of ₹10/- (Rupees Ten) each and 30,00,000 (Thirty Lakh) preference shares of ₹10/- (Rupees Ten) each to ₹61,00,00,000 (Rupees Sixty One Crore) divided into 5,20,00,000 (Five Crore Twenty Lakh) equity shares of ₹10/- (Rupees Ten) each and 90,00,000 (Ninety Lakh) preference shares of ₹10/- (Rupees Ten) by addition of 6,00,00,000 (Six Crore) new preference shares of ₹ 10/- (Rupees Ten) each ranking pari passu.”

“RESOLVED FURTHER THAT the existing clause V of the Memorandum of Association of the Company be altered and substituted as follows and the composition of the authorized capital of the Company be changed accordingly:

The authorized share capital of the company is ₹61,00,00,000/- (Rupees Sixty One Crore) divided into 5,20,00,000 (Five Crore Twenty Lakh) equity shares of ₹10/- (Rupees Ten) each and 90,00,000 (Ninety Lakh) preference shares of ₹10/- (Rupees Ten). The Capital shall be subject to be increased or reduced in accordance with the regulations of the Company and the legislative provisions for the time being in force in this behalf and with power to divide the shares in the capital for the time being in to Equity Share Capital & Preference Share Capital and to attach thereto respectively and preferential, qualified or special rights, privileges or conditions and further to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.”

2) Authorization for issuing Preference share under Private Placement Basis :

The Company has received the term sheet for issue of preference share on private placement basis from Unifi Capital Pvt. Ltd. Considering the requirement of the provisions of the Companies Act, 2013, board approval is required under the provisions of Companies Act 2013, and provisions of Rule 14 (2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

The Board has approved the proposal through its Board Meeting held on October 28, 2014 and recommended to the shareholder for authorizing issue of Preference share under Private Placement Basis to Unifi Capital Pvt. Ltd. and issue offer letter in PAS – 4. Accordingly it is recommended to shareholder to consider and, if thought fit, to pass with or without modification, the following resolution as a special resolution:

“RESOLVED THAT in accordance with the provisions of Sections 42, 55, 62 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with the Rules framed there under, as may be amended from time to time and the Articles of Association of the Company and the regulations/guidelines, if any, prescribed by any relevant authorities from time to time, to the extent applicable and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution) or as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board, the consent of the Company be and is hereby accorded to the Board to offer or invite to subscribe, issue and allot, such number of Preference Shares of the Company of the face value of ₹ 10/- each, for an aggregate value not exceeding ₹ 9 crore, as Rated Fully Paid-Up Cumulative Non-Convertible Compulsorily Redeemable Preference Shares (“**CNCRPS**”) for cash at par, on a private placement basis, to Unifi Capital Pvt. Ltd. and in such proportion and on such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting.”

“RESOLVED FURTHER THAT the holder(s) of CNCRPS shall have no voting rights other than in respect of matters directly affecting the rights attached to the CNCRPS and, any resolution for the winding up of the Company or for the repayment or reduction of its equity or preference share capital and the voting rights of the holder(s) of CNRPS on a poll shall be

in proportion to their share in the paid-up preference share capital of the company. In the event of any due and payable dividends on the CNCRPS remaining unpaid for a period of two years prior to the start of any general meeting of the equity shareholders, the holder(s) of CNCRPS shall gain voting rights in respect of all matters placed by the Company at a general meeting of its equity shareholders in accordance with the provisions of the Companies Act, 1956, as superseded and substituted by the notified provisions of the Companies Act, 2013, and the Articles of Association of the Company

RESOLVED FURTHER THAT In the event of winding up or repayment of capital, the holder(s) of CNCRPS shall carry a preferential right vis-à-vis equity shareholders to be repaid the amount of paid up capital and unpaid dividends in accordance with the provisions of the Companies Act, 1956, as superseded and substituted by the notified provisions of the Companies Act, 2013 and the Articles of Association of the Company.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such deeds, documents and writings, as it may in its absolute discretion deem necessary or incidental, and pay such fees and incur such expenses in relation thereto as it may deem appropriate.

“RESOLVED FURTHER THAT Mr. Govind Singh, MD & CEO or Mr. Abhisheka Kumar, Chief Financial Officer or Mr. Trilok Nath Shukla, Whole Time Director or Ms. Mohita Srivastava, Company Secretary of the company be and is hereby severally authorized to sign and to do all such acts, deeds and things and execute all such deeds, documents and writings, as it may in its absolute discretion deem necessary for giving effect to this resolution.

RESOLVED FURTHER THAT if necessary, the company’s common seal be taken out of the registered office of the company beyond the city limits for execution of the aforesaid documents.

NOTES:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE THE MEMBER OF THE COMPANY.

2. The Register of Members will not remain closed.
3. The explanatory statement relating to special business mentioned in the Notice as required pursuant to section 102 of the Companies Act, 2013 is annexed to the Notice

By Order of the Board
for Utkarsh Micro Finance Pvt. Ltd.



(Mohita Srivastava)
Company Secretary

Date: October 28, 2014
Place: Varanasi

MOHITA SRIVASTAVA
Company Secretary
Utkarsh Micro Finance Pvt. Ltd
Membership No.- 35771

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 1

The present authorized capital of the Company is ₹55,00,00,000 (Rupees Fifty Five Crore) which is divided into 5,20,00,000 (Five Crore Twenty Lakh) equity shares of ₹10/- (Rupees Ten) each and 30,00,000 (Thirty Lakh) preference shares of ₹10/- (Rupees Ten) each and paid up share capital of the Company is ₹25,86,37,030/- (Rupees Twenty Five Crore Eighty Six Lakhs Thirty Seven Thousand Thirty) divided into 2,58,63,703 (Rupees Two Crore Fifty Eighty Lakhs Sixty Three Thousand Seven Hundred Three) equity shares of ₹ 10/- (Rupees Ten).

Currently, the Company has 208 (Two Hundred Eight) branches in 55 (Fifty Five) districts in 8 (Eight) states namely Uttar Pradesh, Bihar, Uttarakhand, Madhya Pradesh, Delhi, Himachal Pradesh, Haryana and Maharashtra. The Company plans to expand its business in more districts of these states in near future. The current authorized capital is ₹55,00,00,000 (Rupees Fifty Five Crore). Keeping in view, the expansion plans of the Company for FY 2014-15, the Company is planning to increase the Authorised Capital by ₹6,00,00,000 (Rupees Six Crore).

In order to monies to fund the expansion plans of the Company, the Company has to increase authorized capital from ₹55,00,00,000/- (Rupees Fifty Five crore) which is divided into 5,20,00,000 (Five Crore Twenty Lakh) equity shares of ₹10/- (Rupees Ten) each and 30,00,000 (Thirty Lakh) preference shares of ₹10/- (Rupees Ten) each to ₹61,00,00,000 (Rupees Sixty One Crore) divided into 5,20,00,000 (Five Crore Twenty Lakh) equity shares of ₹10/- (Rupees Ten) each and 90,00,000 (Ninety Lakh) preference shares of ₹10/- (Rupees Ten) each by addition of ₹6,00,00,000 (Rupees Six Crore) new preference shares of ₹10/- (Rupees Ten) each so that company may issue further preference shares as and when considered necessary. It is to be approved by the Board of Directors subject to approval by the members of the Company under Section 61 of the Companies Act, 2013.

Increase in Authorized Capital would necessitate amendment to the Clause V of the Memorandum of Association and would require member's approval by passing an Ordinary Resolution.

A copy of Memorandum & Articles of Association is open for inspection by members on any working day during 11.00 A.M. to 1.00 P.M. up to the date of ensuing extra-ordinary general meeting at the registered office of the Company.

None of the Directors are interested or concerned in the said resolutions.

The Board commends the resolution proposed at item no. 1 for your approval as an ordinary resolution.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 2

Section 62 of the Companies Act, 2013, read with the Companies (Share Capital & Debentures) Rules, 2014, provides, inter alia, that whenever it is proposed to increase the subscribed capital of a company by issue of further shares, such shares may be offered to any persons, whether or not those persons are holders of the equity shares of the company or employees of the company, if authorized by way of a special resolution. Furthermore, as per Section 42 of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, framed thereunder, a company offering or making an invitation to subscribe to securities, including Cumulative Non-Convertible Compulsorily Redeemable Preference Shares ("**CNCRPS**") on a private placement basis, is required to obtain the prior approval of the shareholders by way of a special resolution, for each of the offers and invitations. The approval of the members is accordingly being sought by way of a special resolution under Sections 42, 55 and 62 of the Companies Act, 2013, read with the Rules made thereunder, for the issue of CNCRPS aggregating an amount not exceeding Rs. 9 crore and to offer and allot the CNCRPS on a private placement basis on the terms and conditions set out hereunder.

Given below is a statement of disclosures as required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014 and the terms of issue of the CNCRPS:

Issuer	Utkarsh Micro Finance Private Limited ("UMPL"/ the "Company"/ the "Issuer")
Security / Instrument	Rated Fully Paid-Up Cumulative Non-Convertible Compulsorily Redeemable Preference Shares
Total Issue Size	Up to 9,000,000 CNCRPS of Face Value of Rs. 10/- each aggregating upto Rs. 9.0 crores
Mode of Issue	Private Placement
Seniority / Status of holder(s) of CNCRPS	The claims of holder(s) of CNCRPS shall be subordinated to the claims of all secured and unsecured creditors but senior to equity shareholders and pari passu amongst themselves and with preference shareholders of the Issuer No dividend shall be paid to holders of common equity shares unless all amounts payable to holder(s) of CNCRPS have been paid up to the date

	of payment of such dividend.
Tenor	8.5 months from the Deemed Date of Allotment
Yield	12.00% on the Issue Price in respect of each CNCRPS, measured on XIRR basis

By Order of the Board
for Utkarsh Micro Finance Pvt. Ltd.



(Mohita Srivastava)
Company Secretary

Date: October 28, 2014
Place: Varanasi

MOHITA SRIVASTAVA
Company Secretary
Utkarsh Micro Finance Pvt. Ltd
Membership No. - 35771