

# RGVN (NORTH EAST) MICROFINANCE LTD.

## Registered Office

House No. 2, Padma Path  
Zoo Road Tiniali, Bye-Lane No. 8,  
Guwahati-781 024, Assam, India

CIN U65923AS2008 PLC 00 8742



## Contact Details

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Ref No. :

## NOTICE

Date :

Notice is hereby given that 6th Extra - Ordinary General Meeting of the members of the Company for the FY 2016-2017 will be held at the registered office of the Company at Padma Path, Bye Lane No. 8, House No. 2, Zoo Road Tiniali, Guwahati - 781024 on 7th day of June, 2016 at 4.00 p.m. to transact the following business :-

### ITEM No. 1

#### To approve borrowing limits of the Company:

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

**"RESOLVED** that in supersession of the earlier shareholder's resolution passed by the Company in its Extra Ordinary general meeting dated 7<sup>th</sup> day of July, 2015 and pursuant to Section 180(1)(c) of the Companies Act, 2013, read with the applicable rules there under, as amended from time to time, the consent of the members 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) for borrowing from time to time, any sum or sums of monies, as they deem appropriate, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amounts so borrowed by the Board of Directors shall not exceed the limit of Rs. 1000 crore at any time."

**"RESOLVED FURTHER** that the Board of Directors of the Company (including any Committee thereof), be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required."

For RGVN (North East) Microfinance Limited

*Pragati Kaur*

Company Secretary

## ITEM No. 2

### Creation of Charges on the assets of the Company

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

**“RESOLVED THAT** in supersession of the earlier shareholder resolution passed by the Company in its Extra Ordinary general meeting dated 7<sup>th</sup> day of July, 2015, and pursuant to Section 180(1)(a) of the Companies Act, 2013, read with the applicable Rules there under, as amended from time to time, the consent of the members 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 creation of such pledges, mortgages, charges and hypothecations as may be necessary on such assets of the Company, movable or immovable, both present and future, and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or create a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company in such manner as the Board may direct, together with power to take over the management of the Company in certain events, to or in favour of financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, debenture trustees, other bodies corporate, alternative investment funds (hereinafter referred to as the “Lending Agencies”), to secure rupee term loans/foreign currency loans, debentures, bonds and other instruments of an outstanding aggregate value not exceeding Rs. 1000 crore together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the Lending Agencies in respect of the said borrowings.”

**“RESOLVED FURTHER** that the Board of Directors of the Company (including any Committee thereof), be and is hereby, authorized to finalize with the Lending Agencies, the documents for creating the aforesaid pledges, mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this resolution.”

## ITEM No. 3

### Private placement of Non Convertible Debentures

To consider and, if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:-

**“RESOLVED** that pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules framed there under, as may be amended from time to time, the approval of the members of the Company, be and is hereby, accorded to the Board of Directors of the Company for issuing Non-Convertible Debentures, in one or more series/tranches on such terms and conditions as may be determined by the Board of Directors on a private placement basis during a period of one year from the date of passing of this resolution to eligible persons which shall be within the overall borrowing limit of the Company, approved by the members, from time to time.”

For RGVN (North East) Microfinance Limited

*Prayati Mour*  
Company Secretary

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby, authorised to create charges as may be necessary on such assets of the Company, movable or immovable, both present and future, and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or create a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company by way of hypothecation in favour of GDA Trusteeship Services Limited as security for redemption of Non-Convertible Debentures and other monies which may be due and to do all such acts, deeds and things as may be necessary for the purpose and for perfecting the security so created

**“RESOLVED FURTHER** that the Board of Directors of the Company (including any Committee thereof), be and is hereby, authorized to do all such acts, deeds and things and give such directions as may be deemed necessary or expedient, to give effect to this resolution”

**ITEM NO. 4**

**APPROVAL OF PRIVATE PLACEMENT OFFER LETTER (PAS-4)**

To consider and, if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:-

**“RESOLVED THAT** the approval of the members be and hereby accorded to issue a private placement offer letter in the prescribed form PAS-4 as required under the provisions of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 to offer :

- a) 250 (Two Fifty Only) number of Non-Convertible Debentures carrying coupon rate of 13.25% p.a with a tenure of 72 months to IFMR Fimpact Long Term Multi Asset Class Fund
- b) 150 (One Fifty Only) number of Non-Convertible Debentures carrying coupon rate of 13.25% p.a with a tenure of 37 months to IFMR Fimpact Medium Term Microfinance Fund

on such terms and conditions as mentioned in detail in the said PAS-4 on a private placement basis.”

**“RESOLVED FURTHER THAT** Ms. Rupali Kalita, Managing Director of the Company be and are hereby authorised to do all such acts, deeds and things and execute or ratify all such resolutions or documents whatsoever as may be required in connection with the above resolutions.”

For RGVN (North East) Microfinance Limited

*Pragati Mour*  
Company Secretary

**ITEM No. 5**

**COMPENSATION PACKAGE OF MANAGING DIRECTOR OF PROPOSED  
SMALL FINANCE BANK**

To consider and, if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:-

“RESOLVED THAT the CTC of Rs. 40 Lakh p.a be paid to Ms. Rupali Kalita, Managing Director of the Company along with official vehicle w.e.f. 1st April 2016.”

“RESOLVED FURTHER that Ms. Rupali Kalita, Managing Director of the Company, be and is hereby authorized to do all such acts, deeds and things and give such directions as may be deemed necessary or expedient, to give effect to this resolution”

**ITEM No. 6**

**HONORARIUM TO THE CHAIRPERSON OF THE COMPANY:**

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

“RESOLVED THAT an honorarium of Rs.1.5 lakh per month be paid to Mr. Brij Mohan, Chairperson of the Company w.e.f. 1st April 2016 .”

“RESOLVED FURTHER that Ms. Rupali Kalita, Managing Director of the Company, be and is hereby authorized to do all such acts, deeds and things and give such directions as may be deemed necessary or expedient, to give effect to this resolution”

**Notes:**

- The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Notice set out above is annexed hereto.
- A member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxy Form is enclosed herewith.
- The members are requested to fill, stamp, sign & deliver the proxy form within 48 hours of the date of meeting. An instrument of Proxy will be valid only if it is properly stamped & signed. Unstamped, unsigned or inadequately stamped Proxies or Proxies upon which the stamps have not been cancelled are invalid.
- The Proxy-holder shall prove his identity at the time of attending the Meeting.

**Date: - 1st June, 2016**

**BY ORDER OF THE BOARD**  
For RGVN (North East) Microfinance Limited  
*Pragati Mohan*  
**(Pragati Mohan)** Company Secretary  
**Company Secretary**

**ANNEXURE TO THE NOTICE**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

The following Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act") sets out all material facts relating to the business mentioned at Item No. 1 to 6 of the accompanying Notice dated **1st June, 2016:-**

**ITEM No. 1 & 2**

In terms of the provisions of Section 180(1) (c) of the Companies Act, 2013, the Company cannot, except with the consent of the shareholders in general meeting, borrow monies (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of the paid up share capital and free reserves, i.e. reserves not set apart for any specific purpose.

In terms of the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors of a public company cannot, except with the consent of the shareholders in general meeting, create charges/mortgages/hypothecations/pledge in order to secure such borrowings, in favour of all or any of the financial institutions/bankers/lenders/any other investing agencies and trustees for the holders of debentures/bonds/other financial instruments, which may be issued to and subscribed by all or any of the financial institutions/bankers/lenders/any other investing agencies or any other person(s)/ body corporate by private placement or otherwise.

In view of the overall increase in the business activities of the Company and to meet the capital expenditure requirements and for the working capital needs, it is considered desirable to increase the Company's borrowing limit of Rs. 500 Crores to Rs. 1000 Crores for raising fund of the Company. The resolution set out under Item No.1 of the notice is to seek Members' approval to enhance the borrowing limit to Rs. 1000 Crores.

The proposed enhancements in the borrowings of the Company from Rs. 500 Crores to Rs.1000 crores, may, if necessary, be secured by way of charge /mortgage /hypothecation/ pledges on the Company's assets in favour of all or any of the financial institutions/bankers/lenders/any other investing agencies and trustees for the holders of debentures/bonds/other financial instruments, which may be issued to and subscribed by all or any of the financial institutions/bankers/lenders/any other investing agencies or any other person(s)/ body corporate by private placement or otherwise. It is necessary to pass a resolution under Section 180(1)(a) of the Companies Act, for creation of charges/mortgages/hypothecations/pledges for an amount not exceeding the borrowing limit of Rs. 1000 Crore and the resolution set out under Item No.2 of the notice is to seek members approval of the same.

The Board, therefore, commend the resolution under ITEM No 1 & 2 of the notice for approval by the members of the company to borrow monies and creation of mortgages/charges on the assets of the Company pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013.

For RGVN (North East) Microfinance Limited

*Pragati Nour*  
Company Secretary

None of the Directors, Key Managerial persons and their relatives are in any way concerned or interested in the said resolution.

#### **ITEM No. 3 & 4**

In terms of the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules framed there under, as may be amended from time to time, a Company offering or making an invitation to subscribe to its Non-Convertible Debentures on a private placement basis is required to obtain prior approval of its members of the company by a Special Resolution. In case of offer or invitation to offer of NCD's the Company may pass a Special Resolution once in a year for all offers or invitations for such debentures to be made during the year.

The approval of the members is being sought by way of Special Resolution under Section 42 of the Companies Act, 2013 and the Rules made there under to enable the Company to offer or invite subscriptions for ("NCDs") on a private placement basis, in one or more tranches, during a period of one year from the date of passing this resolution, provided the outstanding at any time during the year shall not exceed Rs. 1000 Crores (One Thousand crores), which shall be within the overall borrowing limit of the Company, as approved, from time to time, with the authority to the Board of Directors to determine the terms & conditions including the issue price of ("NCDs").

For every issue of NCDs proposed to be offered during this year, the pricing of the NCDs (including premium if any) will be determined on the basis of the prevailing market consideration and as specifically approved by the Board at such time.

The Company has to offer Non Convertible Debentures to IFMR Fimpact Long Term Multi Asset Class Fund and IFMR Fimpact Medium Term Microfinance Fund for such terms and conditions as mentioned in detail in the said private placement offer letter (PAS-4) for which approval of the members is required.

The Board, therefore, commend the resolution under ITEM No 3 & 4 of the notice for approval by the members of the company to issue for ("NCDs") on a private placement basis & offer of private placement offer letter pursuant to the provisions of Sections 42 of the Companies Act, 2013 and Rules.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolution at Item No. 3 & 4.

#### **ITEM No. 5**

The Board of Directors in its 41<sup>st</sup> meeting held on 19.10.2015 has decided to appoint Ms. Rupali Kalita, Managing Director of RGVN(North East) Microfinance Limited, as the Managing Director of the proposed Small Finance Bank, in principle license for which has been received in September 2015.

For RGVN (North East) Microfinance Limited

*Pragati Mour*  
Company Secretary

Ms. Kalita is serving as Managing Director of the RGVN (NE) Microfinance Ltd since the inception of the company in July 2008 which was operationalized in October 2010. Since, then Ms. Kalita is performing her duties as Managing Director efficiently and took the company to present heights with 487 crores outstanding with 99.86 % recovery. She is also instrumental in obtaining in principle license of Small Finance Bank. Transformation work of RGVN (North East) Microfinance Limited. to Small Finance Bank is progressing in full swing in the right direction.

Considering the CTC of CXO level personnel joining on higher pay, it becomes necessary to fix the CTC of the Managing Director of the proposed Small Finance Bank. Incidentally, Ms. Rupali Kalita, Managing Director, RGVN (NE) Microfinance Ltd. is drawing Rs.24 lacs as CTC since 01<sup>st</sup> April 2015. However, The CTC of the Managing Director was approved by the members of Nomination and Remuneration committee in its meeting held on 06-05-2016 & 45<sup>th</sup> Board Meeting held on 07-05-2016 as Rs. 40 Lakh p.a.

The Board, therefore, commend the resolution as **Special Resolution** under ITEM No 5 of the notice for approval by the members of the company

None of the Directors except Ms. Rupali Kalita and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolution at Item No. 5.

#### **ITEM No. 6**

The Board of Directors in its 45<sup>th</sup> meeting held on 07-05-2016 has decided to reward Mr. Brij Mohan, Chairperson of the Company for his dedicated service and long time association with the organization by awarding an honorarium of Rs.1.5 lakh per month w.e.f 1<sup>st</sup> April 2016.

The Board, therefore, commend the resolution as **Special Resolution** under ITEM No. 6 of the notice for approval by the members of the company

None of the Directors except Mr. Brij Mohan and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolution at Item No. 6.

**Date: - 1st June, 2016, 2016**

**BY ORDER OF THE BOARD**

For RGVN (North East) Microfinance Limited

*Pragati Mour*  
(Pragati Mour)  
Company Secretary