

MAHAVEER FINANCE INDIA LIMITED

CIN : L65191TN1981PLC008555

Regd. Office : K.G. Plaza, 3rd Floor, Nos. 41-44, General Patters Road, Chennai - 600 002.
Tel : 28614466 / 28614477 / 28614488 Fax : 044-28604099 Email : mahaveerfinance@yahoo.co.in

NOTICE OF THE EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDER OF THE COMPANY

Notice is hereby given that an Extraordinary General Meeting of the share holders of the Company will be held on Tuesday, 27th day of January 2015 at 11 AM at the South India Hire Purchase Association Premises, DESABANDU PLAZA, First Floor, 47, Whites Road, Royapettah, Chennai - 600014 to transact the following business:

SPECIAL BUSINESS

1-To alter the Articles of associations of the company in accordance with the Companies Act 2013

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 Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

2- TO INCREASE THE AUTHORISED SHARE CAPITAL

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 Section 13 (1) read with Sections 61,64 and other applicable provisions, if any, of the Companies Act 2013 (including any amendment thereto or re-enactment thereof), Authorized Shared Capital of the Company be and is hereby increased from the existing Rs.5,00,00,000/- (Five Crore only) divided into 50,00,000 (Fifty Lakh) Equity Shares of Rs. 10/- (Ten only) each to 10,00,00,000 (Ten Crore only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Ten only) each by creation of additional 50,00,000 (Fifty Lakh) Equity Shares of Rs. 10/- (Ten only) each and that clause V of the Memorandum of Association of the Company be and is hereby altered accordingly.

3-TO ISSUE EQUITY SHARES OF THE COMPANY ON PREFERENTIAL BASIS

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

"RESOLVED THAT in accordance with

1-the provisions of section 62 read with section 42 and all other applicable provisions, if any, of the Companies Act 2013 (the Act) read with Companies (Share Capital and Debenture Rule) 2014 including any statutory modification or reenactments thereof for the time being in force;

2- The provisions of the Memorandum and Articles of Association of the Company;

and subject to

3- the applicable statutes , guidelines, regulations, approvals, consents, permission, sanctions of the Central Government and any other appropriate / Concerned Authorities and

4- such conditions or modifications as may be prescribed by any of them while granting any such approvals, which may be agreed to, in its sole discretion, by the Board of Directors of the Company (Herein after called 'the Board' which term shall be deemed to include any Committee which the Board may have constituted or herein after constitute from time to time to exercise to its powers including the power conferred by this resolution;

Consent of the Company be and is hereby accorded to the Board to offer, issue and allot up to Rs 4,00,00,000/- (Four Crore) on preferential basis to promoters / Directors / others whether existing shareholder or otherwise at fair price value of Rs.10/- per share arrived based on price valuation certificate issued by M/s. E.Hemanadhan & Co., Chartered Accountants on such time and such other terms and conditions as may be approved as per the discretion of the Board of Directors."

"RESOLVED FURTHER THAT

1- The Equity Shares as may be issued and allotted in accordance with the terms of the relevant offering, shall rank pari pasu with the existing Equity Shares in the Company in all respect and with respect of dividend, on a pro-rata basis with reference to the period of holding in the first year;

2- For the purpose of giving effect to the foregoing and without being required to seek any further consent or approval of the Members of otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution, the Board be and is hereby authorized for and on behalf of the Company:

a. to enter into and execute all such agreements / arrangements as the case may be with any authorities, agencies;

b. to settle any question, difficulties, doubts that may arise in regard to the offer, issue and allotment of securities and utilization of the issue proceeds as it may in its absolute discretion deem fit;

c. to do all such acts, deeds, matters and things as the Board may at its sole discretion deem fit, necessary, desirable for such purpose, including without limitation the drafting, finalization, entering into and execution of any arrangements or agreements with the allottees including but not limited to the shareholders' agreement/s;

d. to delegate from time to time, all or any of the powers conferred herein upon the Board to any Committee of the Board or the Managing Director or any other Director or any other Officer of the Company."

For and on behalf of the Board

Place : Chennai
Date : 27-12-2014

G. Chidambar
Director

NOTES

NOTES

1. The explanatory statement as required under section 102 of the Companies Act 2013 in respect of items are annexed hereto.
2. The notice is being sent to all the Members, whose names appear in the Register of Members as on 19-12-2014. The Notice of the Meeting is also posted on the website of the Company i.e. www.mahaveerfinance.com.
3. ~~A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND , ON A POLL, TO VOTE ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER~~
 - i) A person can act as a proxy on behalf of member not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder;
 - ii) A proxy form is enclosed. The proxy form duly stamped and executed should be deposited at the Registered Office of the Company at least forty - eight hours before the time fixed for the commencement of the meeting.
4. Members are requested to notify change in address, if any, to the Registrar and Transfer Agents of the Company Cameo Corporate Services Limited, 'Subramanian Building', No.1, Club House Road, Chennai - 600 002.
5. Members / Proxy holders are requested to produce at the entrance, the attached admission slip for admission to the meeting hall. Duplicate admission slips will not be provided at the hall.
6. All documents (including the certificate of Chartered Accountants, the Statutory auditors of the Company, the Memorandum and Articles of Association of the company), copy of offer document in the prescribed form of PAS- 4 and other documents referred to in the Explanatory Statement are open for inspection by the members at the Registered Office of the Company on any working days between 10.00am and 2.00 pm up to the date of the Extra- Ordinary General Meeting.

EXPLANATORY STATEMENT

The following Explanatory Statement pursuant to section 102 of the Companies Act 2013 ('ACT') sets out all material facts relating to the business to be transacted at the meeting.

Item No. 1.

The Board of Directors has decided to alter the Articles of Associations of the company in accordance with the new Companies Act 2013. Since the alteration requires consent of the members, your directors recommend the resolution at item No.1 for your approval. None of the Directors and Key Managerial person of the company including their relatives are concerned or interested in aforesaid resolution.

Item No. 2

To facilitate the proposed preferential issue as per Item No.3 it is required to increase the Authorised Capital of the Company.

In the light of the above, it is proposed to increase the authorized capital of the company from the existing Rs. 5,00,00,000/- (Five Crore only) to Rs.10,00,00,000 (Ten Crore only) by creation of additional 50,00,000 (Fifty Lakh) Equity Shares of Rs. 10/- (Ten only) each and to alter the clause V of the Memorandum of Association of the Company accordingly.

Since the above alteration requires consent of members, your directors recommend the resolution at item No. 2 for your approval. None of the Directors and Key Managerial person of the company including their relatives are concerned or interested in aforesaid resolution except to the extent of their shares held in the Company.

Item No. 3

Your Company's business is growing and growth requires capital. Since promoters / Directors / others have already brought in funds by way of loans to meet the working capital needs and for general corporate purpose. It is, therefore, proposed to convert and issue equity shares on preferential basis as per the loan agreement and section 62 & other applicable provisions of the Companies Act 2013 so that such amount capitalized will meet maximum permissible bank finance and RBI capital adequacy requirements.

Section 62 of the Companies Act, 2013 provides, inter alia, that such further shares may be offered to any person whether or not such person is existing holder of equity shares of the company as on the date of offer by way of a special resolution passed to that effect by the company in General Meeting.

Accordingly, the consent of the shareholders is being sought, pursuant to the provisions of Section 62 and other applicable provisions of the Companies Act 2013 and such other approvals as may be necessary to issue and allot securities as stated in the special resolution.

The proposed Special Resolution gives (a) adequate flexibility and discretion to the Board to finalise the terms of issue in accordance with the normal practice. (b) Powers to issue securities and (c) for utilization of the issue proceeds as the Board may deem fit, without being required to seek any further consent or approvals of the Members or otherwise, with the intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

The Equity Shares of the company to be allotted shall be subject to the Memorandum and Articles of Association of the Company and the terms of issue.

The Board believes that the preferential offer to Mr. N.Mahaveerchand Dugar and Mrs.M.Gunasundari Dugar will be in the best interest of the company and its members.

As required under Rule 13 (2) (d) of the Share Capital and Debentures Rules 2014 of the Companies Act 2013 the other requires details are furnished as under:

Objects of the Preferential Issue

Your Company's business is growing and growth requires capital. Further funds are required to augment its working capital and for general corporate purposes and for meeting Capital Reserve, maximum permissible bank finance and adequacy requirements of Reserve Bank of India.

It is, therefore, proposed to capitalize the amount already brought in by promoters by issuing further shares by way of a preferential issue of Equity Shares as per the provisions of sections 62 of the companies act 2013 read with the provisions Share Capital and Debentures Rules 2014.

Total Number of Shares and price at which the allotment is proposed

The proposed issue shall consist of 40,00,000 equity shares of Rs.10/- each for cash at a price of Rs.4,00,00,000/- (Rs. Four Crore) at a price calculated as per valuation certificate issued by M/s.E.Hemanadhan & Co., Chartered Accountants at Rs.10/- per share.

Intention of the Promoters / Directors/ Key Management persons to subscribe to the offer

None of the Directors / Key Management persons of the company except Mr.Mahaveerchand Dugar , Managing Director of the Company and his relative intend to subscribe to this preferential issue authorized by the resolution. None of the Directors and Key Managerial Personnel of the Company or their relatives except Mr. Mahaveerchand Dugar and his relative is concerned or interested in the passing of this Resolution

Shareholding pattern before and after the issue

As on 19/12/2014

Particulars	Pre offer shareholding	%	Preferential Offer	Post Offer Shareholding	%
I - Promoter and Promoter Group					
MAHAVEERCHAND DUGAR N.	780000	19.50	500000	1280000	16.00
GUNASUNDARI DUGAR	776100	19.40	3500000	4276100	53.45
DEEPAK DUGAR M.	470900	11.77	0	470900	5.89
PRADEEP DUGAR M.	458500	11.46	0	458500	5.73
PRAVEEN DUGAR M.	458600	11.47	0	458600	5.73
Sub Total - I	2944100	73.30	4000000	6944100	86.80
II- Non Promoters					
Mutual Funds	0	0	0	0	0
Banks	0	0	0	0	0
Corporate Bodies	1450	0.04	0	1450	0.02
NRI	0	0	0	0	0
FII	0	0	0	0	0
Foreign Companies	0	0	0	0	0
Others	1054450	26.36	0	1054450	13.18
Sub Total - II	1055900	26.40	0	1055900	13.20
TOTAL - I + II	4000000	100.00	4000000	8000000	100.00

- i) The voting rights will change in tandem with the change in shareholding pattern
 ii) The figures shown in the above table assumes the following :
 a) The issue and allotment of all the equity shares of the issue are to promoters / Directors / others whether existing shareholder or otherwise.
 b) The holdings of other shareholders do not change

Proposed time within which the allotment shall be completed

The allotment of the Equity Shares are proposed to be completed within 15 days of the date of passing of the above solutions at the general meeting, provided where the allotment is pending on account of pendency of any regulatory authority, the allotment shall be completed within 30 days from the date of receipt of such approvals

Identity of the proposed allottees and the percentage of post preferential issue capital that may be held by them

1.	Name of the Proposed Allottees	1) Mr. N. Mahaveerchand Dugar 2) Mrs. M. Gunasundari Dugar
2.	Address of the proposed allottees	1) Whispering Heights, 2nd Floor, F2, 132, St. Marys Road, Alwarpet, Chennai-18. 2) Whispering Heights, 2nd Floor, F2, 132, St. Marys Road, Alwarpet, Chennai-18.
3.	No. of Shares and percentage held by the proposed allottee prior to preferential issue	1) 780000 & 19.50% 2) 776100 & 19.40%
4.	Amount of Loan to be convertible as shares	1) Mr. N. Mahaveerchand Dugar Rs. 50,00,000/- 2) Mrs. M. Gunasundari Dugar Rs. 3,50,00,000/-
5.	No. of shares and percentage of post preferential issue capital that may be held by the proposed allottee	1) 1280000 & 16.00% 2) 4276100 & 53.45%

The proposed issue of securities is in the interest of the Company and your Directors recommended the passing of the resolution under this item as a Special Resolution

Place : Chennai
Date : 27-12-2014

For and on behalf of the Board
G. Chidambar
Director

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info@mahaveerfinance.com

ATTENDANCE CARD

EXTRAORDINARY GENERAL MEETING

Time : Tuesday, 27th January 2015 at 11.00 a.m.
Venue : South Indian Hire Purchase Association Premises,
Desabandu Plaza, First Floor, 47, Whites Road,
Royapettah, Chennai - 600 014.

MEMBER

PROXY
(Name in Capital Letters)

I hereby record my presence at the EGM of the Company

Signature of Member / Proxy

- Note :
1. Admission restricted to Members / Proxy only.
 2. Please avoid bringing children / non-members with you.
 3. Kindly contact Help-desk at the venue for any clarifications / assistance.

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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 Member(s) : Folio No./DP ID/Client Id :
Registered address : E-mail :

1. Name	2. Name	3. Name
Address	Address	Address
E-mail :	E-mail :	E-mail :
Signature :	Or failing him/her Signature	Or failing him/her Signature

As my / our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the Extraordinary General Meeting of the Company, to be held on Tuesday, 27th day of January 2015 at 11.00 a.m. at the South India Hire Purchase Association Premises, DESABANDU PLAZA, First Floor, 47, Whites Road, Royapettah, Chennai - 600 014 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution Number	Resolution	Vote (Optional)		
		For	Against	Abstain
1	To alter the Articles of Association of the company in accordance with the Companies Act 2013			
2	To Increase the Authorised Share Capital			
3	To Issue Equity Shares of the company on Preferential basis			

Signed this day of 201

Signature of the Shareholder Affix Revenue Stamp Signature of Proxy holder (s)

Note : This form of proxy 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.

BOOK POST

From :

If undelivered please return to :
MAHAVEER FINANCE INDIA LIMITED
K.G. PLAZA, 3rd Floor,
41-44, General Patters Road,
Chennai - 600 002.