

NOTICE

NOTICE is hereby given that subject to the consent of the shareholders, an Extraordinary General Meeting of the members of IFMR Capital Finance Private Limited (“**Company**”) be held at shorter notice, on Saturday, the 26th day of November 2016 at 6 pm at the registered office of the Company located at No.1, Kanagam Village, 10th Floor, IITM Research park, Taramani, Chennai – 600 113, to consider and transact the following special businesses:

1. AS A SPECIAL RESOLUTION

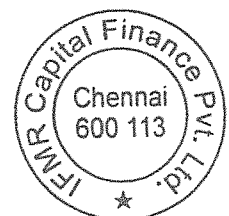
ISSUE OF SHARES TO STANDARD CHARTERED BANK (SINGAPORE BRANCH) BY WAY OF PREFERENTIAL ALLOTMENT

To consider and if thought fit, to pass with or without modifications, the following resolutions as special resolution:

“**RESOLVED THAT** pursuant to provisions of Section 42, Section 55 and Section 62 and other applicable provisions of the Companies Act, 2013 (including any amendment to or re-enactment thereof), the rules and regulations made there under, including but not limited to Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014, Rules 9 and 13 of the Companies (Share Capital and Debentures) Rules, 2014, the articles of association of the Company, the Share Subscription and Shareholders’ Agreement with IFMR Holdings Private Limited, Leapfrog Financial Inclusion India (II) Ltd., FIL Capital Investments (Mauritius) II Limited, Standard Chartered Bank (Singapore Branch), Leapfrog Financial Inclusion Fund II, LP, Leapfrog Financial Inclusion II-B, LP (together with its schedules, attachments and appendices) (“**SSSHA**”), and all applicable rules, regulations, and other consents, permissions, approvals and sanctions from any authority, if any, as may be necessary and subject to such conditions, if any, as may be laid down by any such authority, regulatory or otherwise consent of the members of the Company be and is hereby accorded to the Company, for the issuance of up to: a) 54,44,238 (Fifty four lakhs forty four thousand two hundred and thirty eight) compulsorily convertible preference shares of INR 20 (Indian Rupees Twenty) each, at INR 121.23 each (“**Series A CCPS**”); and (b) 100 (one hundred) equity shares of the face value of INR 10 (Indian Rupees Ten) each at INR 121.23 per share (“**Equity Shares**”) to Standard Chartered Bank (Singapore Branch) by way of preferential allotment, on a private placement basis, as per the terms and conditions contained in the SSSHA.

RESOLVED FURTHER THAT any one of the Directors of the Company be and are hereby severally authorised and empowered, to file the necessary forms with the Registrar of Companies and to do all such acts and deeds necessary to give effect to this resolution, including to sign and file the necessary application letter, return of allotment in Form No PAS-3, and file the necessary information about the offer in Form No PAS-4, PAS-5 with the Registrar of Companies or any other documents as may be required from time to time for the purpose of the abovementioned allotment and to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolution, including but not limited to making the necessary entries in the register of members and to comply with all other requirements in this regard.

RESOLVED FURTHER THAT a certified copy of this resolution be circulated under the signature of any one of the directors or the company secretary of the company.”



IFMR Capital Finance Private Limited

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CIN : U65910TN1989PTC017021

2. AS A SPECIAL RESOLUTION:

ISSUE AND ALLOTMENT OF PREFERENCE SHARES:

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

“RESOLVED THAT, in accordance with Rule 9 and/or Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and any applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with applicable provisions of Companies Act, 1956 (to the extent applicable) (**“Act”**) including any statutory modification(s) or re-enactment thereof for the time being in force, and in accordance with the provisions of the articles of association of the Company, the Share Subscription and Shareholders’ Agreement with IFMR Holdings Private Limited, Leapfrog Financial Inclusion India (II) Ltd., FIL Capital Investments (Mauritius) II Limited, Standard Chartered Bank (Singapore Branch), Leapfrog Financial Inclusion Fund II, LP, Leapfrog Financial Inclusion II-B, LP (together with its schedules, attachments and appendices) (**“SSSHA”**) or other applicable law for the time being in force and such other approvals as may be required, subject to receipt of subscription amount and acceptance by Standard Chartered Bank (Singapore Branch), approval of the Company be and is hereby accorded to create, issue and allot up to 54,44,238 (Fifty four lakhs forty four thousand two hundred and thirty eight) compulsorily convertible preference shares of INR 20 (Indian Rupees Twenty) each, at INR 121.23 per share (**“Series A CCPS”**) to Standard Chartered Bank (Singapore Branch) on the following terms and conditions:

- (i) priority with respect to payment of dividend or repayment of capital vis-à-vis equity shares: priority over equity shares;
- (ii) participation in surplus funds: in accordance with the terms of the SSSHA;
- (iii) the participation in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid: in accordance with the terms of the SSSHA;
- (iv) payment of dividend on cumulative or non-cumulative basis: cumulative basis;
- (v) conversion of preference shares into equity shares: in accordance with the terms of the SSSHA;
- (vi) voting rights: in accordance with the terms of the SSSHA;
- (vii) redemption of preference shares: Not applicable.

RESOLVED FURTHER THAT the any one of the Directors of the Company be and are hereby severally authorised to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolutions, including but not limited to signing on the share certificates, filing of necessary forms with the Registrar of Companies, making the necessary entries in the registers maintained by the Company, payment of necessary stamp duties on certificates and file all such applications, notices, certificates, documents and other instruments, as shall appear to be necessary or appropriate with any local or foreign governmental or regulatory authorities in connection with the issue of the Series A CCPS to Standard Chartered Bank (Singapore Branch) and the transactions contemplated therein.



RESOLVED FURTHER THAT a certified copy of this resolution be circulated under the signature of any one of the directors or the company secretary of the company.”

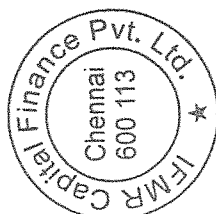
FOR AND ON BEHALF OF BOARD OF DIRECTORS



Signature

Date: 26th November 2016

Place: Chennai



NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. The instrument appointing a proxy should however be deposited at the registered office of the company duly completed, not less than 48 (forty eight) hours before the commencement of this meeting.
2. Statement of material facts pursuant to section 102 of the Companies Act, 2013, in respect of special business set out above, is annexed hereto.
3. All documents referred to in the notice and the explanatory statement (including the SSSHA) are open for inspection at the registered office of the Company on all working days during business hours till the date of the meeting.

STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FORMING PART OF NOTICE CONVENING THE EXTRAORDINARY GENERAL MEETING

The following statement set out all material facts relating to the business mentioned under the accompanying notice dated:

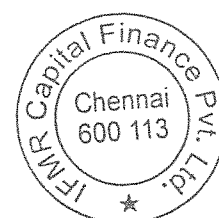
Item 1: Issue of Shares to Standard Chartered Bank (Singapore Branch) By Way of Preferential Allotment

Pursuant to (A) Share Subscription and Shareholders' Agreement with IFMR Holdings Private Limited, Leapfrog Financial Inclusion India (II) Ltd., FIL Capital Investments (Mauritius) II Limited, Standard Chartered Bank (Singapore Branch), Leapfrog Financial Inclusion Fund II, LP, Leapfrog Financial Inclusion II-B, LP (together with its schedules, attachments and appendices) ("SSSHA"); and (ii) letter of offer dated 25th November 2016, issued to Standard Chartered Bank (Singapore Branch), the Company proposes to issue and allot: a) 54,44,238 (Fifty four lakhs forty four thousand two hundred and thirty eight) compulsorily convertible preference shares of INR 20 (Indian Rupees Twenty) each, at INR 121.23 each ("Series A CCPS"); and (b) 100 (one hundred) equity shares of the face value of INR 10 (Indian Rupees Ten) each at INR 121.23 per share ("Equity Shares") to Standard Chartered Bank (Singapore Branch) by way of a preferential allotment.

Pursuant to provisions of Section 62 (1)(c) of the Companies Act, 2013 read with the rules framed thereunder, issue of shares by a Company on a preferential basis is required to be approved by members by passing special resolution.

The Company submits the following information for taking appropriate decision for approval of the proposed resolution as set out in the notice of the meeting by way of special resolution:

NO	PARTICULARS	DETAILS
1.	The objects of the issue	To fund business and growth of the Company
2.	The total number of shares to be issued and nominal value of each share	<ul style="list-style-type: none"> ▪ 54,44,238 (Fifty Four lakhs Forty four thousand two hundred and thirty eight) compulsorily convertible preference shares of INR 20 (Indian Rupees Twenty) each, at INR 121.23 per share. ▪ 100 (one hundred) equity shares of the face value of INR 10 (Indian Rupees Ten) each at INR 121.23 per share
3.	The price or price band at/within which the allotment is proposed	INR 121.23 per share
4.	Basis on which the price has been arrived at along with report of the registered valuer	<ul style="list-style-type: none"> ▪ The issue price has been arrived at keeping in view the present as well as projected growth in the business of the company and in the market as a whole. ▪ A valuation certificate based on discounted cash flow valuation method has also been obtained from an expert.
5.	Relevant date with reference to which the price has been arrived at	30 th June 2016
6.	The class or classes of persons to whom the allotment is proposed to be made	Foreign Body Corporate



NO	PARTICULARS	DETAILS
7.	Intention of promoters, directors or key managerial personnel to subscribe to the offer	The promoters, directors, key managerial personnel shall not participate in this offer
8.	The proposed time within which the allotment shall be completed	30 days from the date of the offer
9.	The percentage of post preferential offer capital that may be held by the allottee	9.90%
10.	The change in control, if any, in the company that would occur consequent to the preferential offer	None
11.	The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price	1 Name: FIL Capital Investments (Mauritius) II Limited Number and price of securities: <ul style="list-style-type: none"> ▪ 79,18,937 (seventy nine lakhs eighteen thousand nine hundred and thirty seven) compulsorily convertible preference shares of INR 20 (Indian Rupees Twenty) each, at INR 121.23 per share ▪ 100 (one hundred) equity shares of the face value of INR 10 (Indian Rupees Ten) each
12.	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not Applicable

PRE-ISSUANCE AND POST-ISSUANCE SHAREHOLDING PATTERN:

NO	CATEGORY	PRE ISSUE AND TRANSFER		POST ISSUE AND TRANSFER	
		No and Type of Shares	% Fully Diluted Shareholding	No and Type of Shares	% Fully Diluted Shareholding
A.	Promoters' holding:				
1	Indian:				
	Individual	-	-	-	-
	Bodies Corporate	46,225,895 (Equity)	53.57	4,58,87,686 (Equity)	50.03
		1,50,00,000 (Redeemable Preference Share)		1,50,00,000 (Redeemable Preference Share)	
	Sub Total	61,225,895	53.57 (Equity Shares)	608,87,686	50.03 (Equity Shares)
2.	Foreign Promoters	-	-	-	-
	Sub Total (A)	-	-	-	-
B.	Non-Promoter Shareholding				



NO	CATEGORY	PRE ISSUE AND TRANSFER		POST ISSUE AND TRANSFER	
		No and Type of Shares	% Fully Diluted Shareholding	No and Type of Shares	% Fully Diluted Shareholding
1.	Institutional Investors	40,058,615	46.43	45841162	49.97
2.	Non-Institutional Investors				
	Private Corporate Bodies	-	-	-	-
	Directors and Relatives	-	-	-	-
	Indian Public	-	-	-	-
	Others (Including NRIs)	-	-	-	-
	Sub Total (B)	40,058,615	46.43	45841162	49.97

The Board of Directors of the Company accordingly recommend the resolutions for approval of the members. None of the directors of the Company or key managerial personnel ("KMP") are, in any way, concerned or interested in the said resolution. None of the relatives of the directors and KMP are interested in the resolutions.

*After taking into account transfer of 3299599 equity shares from Leapfrog Financial Inclusion India (II) Limited and 338209 equity shares from IFMR Holdings Private Limited to Standard Chartered Bank (Singapore Branch).

Item 2: Issue of preference shares

Considering the Company's present operations and its future capital requirements, the Company is conducting issue of shares on preferential allotment basis, by offering preference shares to Standard Chartered Bank (Singapore Branch). The Company proposes to create, issue and allot up to 54,44,238 (Fifty four lakhs forty four thousand two hundred and thirty eight) compulsorily convertible preference shares of INR 20 (Indian Rupees Twenty) each, at INR 121.23 per share ("Series A CCPS") to Standard Chartered Bank (Singapore Branch) on a preferential basis.

Subject to acceptance by Standard Chartered Bank (Singapore Branch) and the receipt of subscription amount, in the bank account of the Company, the Company desires to issue and allot Series A CCPS to Standard Chartered Bank (Singapore Branch).

As per the provisions of Rule 9 of Companies (Share Capital and Debentures) Rules, 2014, a special resolution is required for the allotment of the Series A CCPS.

The Company submits the following information for taking appropriate decision for approval of the proposed resolution as set out in the notice of the meeting by way of special resolution:

NO	PARTICULARS	DETAILS
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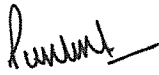
NO	PARTICULARS	DETAILS														
1.	The size of the issue and number of preference shares to be issued and nominal value of each share	54,44,238 (Fifty four lakhs forty four thousand two hundred and thirty eight) compulsorily convertible preference shares of INR 20 (Indian Rupees Twenty) each, at INR 121.23 per share														
2.	The nature of such shares i.e. cumulative or non-cumulative, participating or non-participating, convertible or non-convertible	cumulative, participating, convertible														
3.	The objectives of the issue	To fund business and growth of the Company														
4.	The manner of issue of shares	preferential allotment														
5.	The price at which such shares proposed are proposed to be issued	INR 121.23 per share														
6.	Basis on which the price has been arrived at	The issue price has been arrived at keeping in view the present as well as projected growth in the business of the company and in the market as a whole. A valuation certificate based on discounted cash flow valuation method has also been obtained from an expert.														
7.	The terms of issue, including terms and rate of dividend on each share, etc.	The terms of the Series A CCPS will be in accordance with the terms of the SSSHA														
8.	The terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion	The terms of conversion will be in accordance with the terms of the SSSHA														
9.	The manner and modes of redemption	Not applicable														
10.	Current shareholding pattern of the Company (on a fully diluted basis)	<table border="1"> <thead> <tr> <th>Current Shareholders</th> <th>Shares</th> </tr> </thead> <tbody> <tr> <td>IFMR Holdings Private Limited</td> <td>46,225,895</td> </tr> <tr> <td>Leapfrog Financial Inclusion India (II) Limited</td> <td></td> </tr> <tr> <td>FIL Capital Investments Mauritius (II) Limited</td> <td>30,159,819</td> </tr> <tr> <td></td> <td>9,898,796</td> </tr> <tr> <td>Total (Equity Shares)</td> <td>8,62,84,510</td> </tr> <tr> <td>Redeemable Preference Shares (Held by Indian Bodies Corporate)</td> <td>15,000,000</td> </tr> </tbody> </table>	Current Shareholders	Shares	IFMR Holdings Private Limited	46,225,895	Leapfrog Financial Inclusion India (II) Limited		FIL Capital Investments Mauritius (II) Limited	30,159,819		9,898,796	Total (Equity Shares)	8,62,84,510	Redeemable Preference Shares (Held by Indian Bodies Corporate)	15,000,000
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	9,898,796															
Total (Equity Shares)	8,62,84,510															
Redeemable Preference Shares (Held by Indian Bodies Corporate)	15,000,000															



NO	PARTICULARS	DETAILS
		Total
11.	Expected dilution in equity share capital upon conversion of preference shares	Around 9.90%

The Board of Directors of the Company accordingly recommend the resolutions for approval of the members. None of the directors of the Company or key managerial personnel ("KMP") are, in any way, concerned or interested in the said resolution. None of the relatives of the directors and KMP are interested in the resolutions.

FOR AND ON BEHALF OF BOARD OF DIRECTORS



Signature

Director

Date: 26th November 2016

Place: Chennai

