

BERAR FINANCE LIMITED

Corporate Identity Number:U65929MH1990PLC057829

Registered Office: Avinisha Tower, Mehadia Square, Dhantoli, Nagpur-440012.

Tel.No.0712-6663999 ★ Fax No.0712-6663999

Website:www.berarfinance.com ★ Email:info@berarfinance.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 Member(s) _____

Registered Address of the Member: _____

E-mail id: _____ Folio No. _____

I/We, being the member(s) of Berar Finance Limited holding _____ Equity shares hereby appoint:

1. Name _____ E-mail id _____

Address: _____ Signature _____

Or failing him

2. Name _____ E-mail id _____

Address: _____ Signature _____

Or failing him

3. Name _____ E-mail id _____

Address: _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty –Fourth Annual General Meeting of the Company, to be held on Saturday, the 23rd day of August, 2014 at 3.30 P.M. at Naivedhyam, The Celebration Centre, Opp. NIIT Swimming Pool, North Ambazari Road, Nagpur-440010 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr.No.	Resolutions
1	Consider and adopt the Audited Financial statements for the year ended 31 st March, 2014 together with the Reports of the Board of Directors and Auditors thereon.
2	Declaration of Dividend
3	Re-appointment of Mr. Shantaram K. Mahakalkar, Director, retiring by rotation
4	Re-appointment of Auditor and fixing their remuneration
5	Appointment of Mr. Vishwas B. Pathak as an Independent Director
6	Appointment of Mr. Atul D. Sarda as an Independent Director
7	Increase in borrowing powers of the Company
8	Creation of Charges for loans/borrowings on Company's properties.
9	Issue of non-convertible Debentures

Signed this _____ day of _____ -2014.

Signature of 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.

A person can act as Proxy on behalf of members upto and not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member. The instrument appointing proxy must be deposited at the registered office of the Company not less than 48 hours before the time of holding the Meeting.

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Website:www.berarfinance.com ★ Email:info@berarfinance.com

NOTICE TO MEMBERS

NOTICE is hereby given that the Twenty-Fourth Annual General Meeting of the Shareholders of Berar Finance Limited will be held on 23rd day of August,2014 at Naivedhyam, The Celebration Centre,Opp.NIIT Swimming Pool,North Ambazari Road, Nagpur-440010 at 3.30 P.M. to transact the following business :

Ordinary Business:

- 1 To consider and adopt the audited financial statements of the Company for the financial year ended 31st March,2014 the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. Shantaram Krishnarao Mahakalkar(DIN:00379988) who retires by rotation at this Annual General Meeting and being eligible, offers himself for reappointment.
4. To appoint Auditors of the Company and fix their remuneration.

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

"RESOLVED THAT pursuant to Section 139 and other applicable provisions of the Companies Act,2013 and the rules made there under, M/s.APJ & Associates, Chartered Accountants ,Nagpur, Firm Registration No.124810W, the retiring auditors of the Company, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 29th Annual General Meeting, subject to ratification by members at each annual general meeting to be held hereafter at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

5. To consider and if thought fit ,to pass with or without modifications the following resolution as Ordinary Resolution:
"RESOLVED THAT, pursuant to provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act,2013 and the Companies (Appointment and Qualification of Directors)Rules,2014(including any statutory modification(s) or re-enactment thereof for the time being in force),approval of the Company be and is hereby given for the appointment of Mr.Vishwas Bhaskararo Pathak(DIN :00452917) director, in respect of whom the Company has as required by Section 160 of the Companies Act,2013, received a notice in writing ,as an Independent Director on the Board of Directors of the Company, for a consecutive period of five years for a term upto the conclusion of 29th Annual General Meeting in the calendar year 2019."
6. To consider and if thought fit, to pass with or without modifications the following resolution as Ordinary Resolution:
"RESOLVED THAT, pursuant to provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act,2013 and the Companies (Appointment and Qualification of Directors) Rules,2014(including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby given for the appointment of Mr. Atul Dilip Sarda (DIN :02161209) director, in respect of whom the Company has as required by Section 160 of the Companies Act,2013, received a notice in writing ,as an Independent Director on the Board of Directors of the Company, for a consecutive period of five years for a term upto the conclusion of 29th Annual General Meeting in the calendar year 2019."
7. To consider and if thought fit ,to pass with or without modifications the following resolution as Special Resolution:
"RESOLVED THAT in supersession of the resolution passed at the Annual General Meeting of the Company held on 28th July,2012 and pursuant to Section 180 (1) (C) and other applicable provisions of the Companies Act, 2013, as amended from time to time and the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing moneys for the purposes of the Company, from time to time, notwithstanding that the moneys to be borrowed together with the moneys already borrowed(apart from temporary loans obtained from the Company's bankers in the ordinary course of business)will or may exceed the aggregate of the paid-up share capital of the Company and it's free reserves ,provided however that the aggregate of the amounts so borrowed and to be borrowed and outstanding at any time (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed Rs.200 Crore.(Rupees Two Hundred Crore only)."
8. To consider and if thought fit, to pass with or without modifications the following resolution as Special Resolution:
"RESOLVED THAT in supersession of the resolution passed at the Annual General Meeting of the Company held on 29.09.2007 and pursuant to Section 180 (1) (a) and other applicable provisions, if, any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for mortgaging and/or charging in such form and manner and on such terms and at such time (s) as the Board of Directors may deem fit, the movable and/or immovable properties of the Company, wherever situate,

present and future, whether presently belonging to the Company or not, in favour of any person including, but not limited to, financial/investment institution(s), bank(s), insurance company(ies), mutual funds(s), corporate body (ies), trustee(s) to secure the debentures, loans, hire purchase and/or lease portfolio management transactions(s) for finance and other credit facilities availed by the Company from time to time.

FURTHER RESOLVED THAT the Board of Directors or such committee/or person(s) as authorized by the Board be and is hereby authorized to finalise the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages and/or charges on such of the immovable and/or movable properties of the Company on such terms and conditions as may be decided by the Board of Directors in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this Resolution.”

9. To consider and if thought fit, to pass with or without modifications the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 42,71 and other applicable provisions, if any of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014 and subject to such other Regulations/Guidelines, approval 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 be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise it's powers including the powers conferred by this resolution) for making offer(s) or invitation(s) to subscribe to Non-Convertible Debentures including but not limited to subordinated Debentures, Bonds and /or other debt securities etc. on a private placement basis, in one or more tranches, during the period ending 30.09.2015 for a sum not exceeding Rs. 50.00 Crores (Rs. Fifty Crores only) within the overall borrowing limits of the Company.

FURTHER RESOLVED THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such moneys are to be borrowed from time to time as to interest rate, tenor, repayment, security or otherwise as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in it's absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

FURTHER RESOLVED THAT the Board be and is hereby authorised to execute all the documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto including intimating the concerned authorities or other regulatory bodies and delegating all or any of the powers conferred therein to any committee of the Board of Directors or officers of the Company.”

Registered Office:
Avinisha Tower,
Mehadia Square,
Dhantoli,
Nagpur -440 012.
Date : 27-05-2014

By Order of the Board

S/d

Deepali Balpande
Company Secretary

NOTES:

- i. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy and such a proxy need not be a member.** A person can act as Proxy on behalf of members upto and not exceeding fifty(50) and holding in aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member. The instrument appointing proxy must be deposited at the registered office of the Company not less than 48 hours before the time of holding the Meeting.
- ii. A statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to Special Business to be transacted at the meeting is annexed hereto.
- iii. As per provisions of Section 205A of the Companies Act,1956,the dividend remaining unclaimed for 7 years is required to be transferred to Investor Education & Protection Fund of the Central Government.

Pursuant to the provisions of Investor Education and protection Fund(uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts {as referred to in section 205C (2)} lying with the Company as on 3rd August, 2013 (date of last AGM) on the website of the Company viz:<http://www.berarfinance.com> as well as on the website of the Ministry of Corporate affairs viz.<http://www.iepf.gov.in>.

The unclaim dividend amount for F.Y. 2007 will be due for transfer to the aforesaid fund by 6th August, 2014. Members who have not encashed the dividend for the said year are, therefore, requested to immediately contact the head office of the Company for payment.

No claim shall lie after such transfer. Shareholders are requested to verify their records and send claims, if any, for relevant years from F.Y. 2007 onwards at the registered office of the Company before such transfer takes place.

- iv. The Members are requested to notify or send the following to the Company to facilitate better servicing:
 - a. Any change in their address. Kindly notify full address with PIN CODE Number.
 - b. Particulars of their core banking account no. details with Bank Name and Branch.
 - c. Their e-mail address.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013.

Item No.5 & 6

Mr.Vishwas B. Pathak and Mr.Atul D. Sarda are non-executive Directors of the Company for more than 5 (five) years.

It is proposed to appoint Mr. Vishwas, B. Pathak and Mr. Atul D.Sarda as Independent Directors of the Company under Section 149 of the Companies Act, 2013 (the Act) for 5 (Five) consecutive years for a term up to the conclusion of 29th Annual General Meeting of the Company in the calendar year 2019.

Mr. Vishwas, B. Pathak and Mr. Atul D. Sarda are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Independent Directors.

The Company have received notices in writing from members under Section 160 of the Act proposing candidatures of each of Mr. Vishwas, B. Pathak and Mr. Atul D. Sarda for the office of Independent Directors of the Company.

The Company have also received declarations from Mr. Vishwas, B. Pathak and Mr.Atul D. Sarda that they meet with the criteria of Independence as prescribed under Section 149 (6) of the Act.

In the opinion of the Board, Mr. Vishwas, B. Pathak and Mr. Atul D. Sarda fulfill the conditions for appointment as Independent Directors as specified in the Act.

Copies of the draft letters of appointment of Independent Directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during the Normal business hours on any working day.

Mr. Vishwas, B. Pathak and Mr. Atul D. Sarda are interested in the resolution set out at item no. 5 and 6 of the Notice with regard to their respective appointment.

Save and except the above none of the other Directors/Key managerial Personnel of the Company/their relative are in any way, concerned or interested in the resolutions.

The Board considered that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, the Board recommends the resolutions for approval by the Members.

Item No.7:

At the Annual General Meeting of the Company held on 28.07.2012 , the Board of Directors of the Company were authorized to borrow upto a limit of Rs. 100.00 Crore. (apart from temporary loans obtained from the Company's bankers in the ordinary course of Business) under Section 293 (1) (d) of the Companies Act,1956.

The Ministry of Corporate Affairs (MCA) vide their General Circular dated 25th March, 2014 has clarified that resolutions passed under Section 293 of the Companies Act, 1956 prior to 12.09.2013, with reference to borrowings (subject to limit prescribed) and/or creation of security on the assets of the Company will be regarded as sufficient compliance of the requirements of Section 180 of the Companies Act, 2013 up to 12.09.2014. As such it is necessary to obtain fresh approval of the shareholders by means of Special Resolution, to enable the Board of Directors of the Company to borrow moneys apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the paid up share capital and free reserves of the Company.

The net worth of the Company as on 31st March, 2014 is Rs. 2534.24 lacs. In view of steady growth in business, the mobilisation of funds by the Company will substantially increase. Therefore, it is considered to increase the present limit of borrowing from Rs.100 Crore to Rs.200 Crore .

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution.

Your Directors commend the resolution for your approval

Item No.8

The Company would be borrowing monies from time to time, for the purpose of its business, by way of loans, debentures, bonds, hire purchase, lease portfolio management scheme and/other financial assistance/credit facilities from various financial/investment institution(s), banks(s), insurance company (ies), corporate body (ies) and other persons/investors apart from the working capital facilities obtained from banks in the ordinary course of the business. This, in, turn would

necessitate creation of enhanced security by suitable mortgages and/or charges on all or some of the movable and/or immovable properties of the Company, both present and future in favour of the lenders/trustees. For this necessary consent of the shareholders for creation of such mortgage/charge in favour of the lenders/Trustees was obtained in terms of section 293 (1) (a) of the Companies Act, 1956 in the Annual General meeting held on 29.09.2007

Under the provisions of Section 180 (1) (a) of the Companies Act, 2013, which were made effective from 12 september, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a special Resolution. Further the Ministry of Corporate Affairs (MCA) vide their General Circular dated 25th March, 2014 has clarified that resolutions passed under Section 293 of the Companies Act, 1956 prior to 12.09.2013, with reference to borrowings (subject to limit prescribed) and/or creation of security on the assets of the Company will be regarded as sufficient compliance of the requirements of Section 180 of the Companies Act, 2013 up to 12.09.2014.

As such it is necessary to obtain fresh approval of the shareholders by means of Special Resolution, to enable the Board of Directors of the Company to create charge/mortgage/hypothecation on the Company's assets, both present and future, in favour of the lenders and trustees for the holders of bonds/debentures to secure the repayment of monies borrowed by the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution.

Your Directors commend the resolution for your approval

Item No.9

As per Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company may make an offer or invitation to subscribe to the debentures through an issue of a private placement offer letter with a previous special resolution of it's members approving offer or invitation to subscribe to the non-convertible debentures of the Company on private placement basis. The said section and the rules are effective from 1st April, 2014.

The Company, in the ordinary course of business, is required to resort to borrowings from time to time, including by ways of loans, issue of debentures/bonds or other debt instruments on private placement basis or otherwise and through acceptance of fixed deposits. The Company normally issue non-convertible debentures on private placement basis for meeting the medium and long term funding requirement of the Company. The rate of interest depend upon inter alia market rates, tenor and security.

The approval of the members is, therefore, sought by way of a special resolution for making offer(s) to eligible persons to subscribe to non-convertible debentures of the Company on private placement basis during the period from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting, within the overall borrowing limits approved by the members from time to time.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution.

Your Directors commend the resolution for your approval