

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the members of Arohan Financial Services Limited (“Arohan” or “the Company”) will be held on **August 5, 2021** at **3:00 p.m.** through **Video Conferencing (‘VC’)/Other Audio-Visual Means (‘OAVM’)** facility 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, 2021, together with the Reports of the Auditors and Board of Directors thereon;

“RESOLVED THAT the Audited Financial Statements comprising Statement of Profit & Loss of the Company for the financial year ended 31st March, 2021, the Balance Sheet as at that date and Cash Flow Statement for the financial year ended 31st March, 2021 together with the Notes as annexed thereto and the Auditors’ Report dated June 4, 2021 and the Directors’ Report thereon, as circulated to the Shareholders of the Company and submitted to this meeting, be and the same are hereby received and adopted.”

2. To re-appoint Mr. KASPER SVARRER (DIN 07252475) as director, who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the members of the Company be and is hereby accorded to the reappointment of **Mr. KASPER SVARRER (DIN 07252475)** as a director, to the extent that he is require to retire by rotation.”

3. To re-appoint Mr. PAUL GRATIEN ROBINE (DIN 07828525) as director, who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the members of the Company be and is hereby accorded to the reappointment of **Mr. PAUL GRATIEN ROBINE (DIN 07828525)** as a director, to the extent that he is require to retire by rotation.”

SPECIAL BUSINESS:**4. Increase Borrowing Power of the Company**

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

“RESOLVED THAT in supersession of the earlier resolution passed by the Members in their meeting held on August 3, 2020 the consent of the Company be and is hereby accorded to the Board of Directors and/or any Committee of Directors thereof, under Section 180(1)(c) of the Companies Act, 2013 to borrow any sum or sums of moneys from time to time notwithstanding that the money or moneys to be borrowed, together with the moneys already borrowed by the Company, may exceed aggregate of its paid-up capital and free reserves, apart from temporary loans obtained from the company’s bankers in the ordinary course of business, provided however, the total amount so borrowed shall not exceed INR 7,500 crores (Rupee Seven Thousand Five Hundred Crores only).

“RESOLVED FURTHER THAT the Managing Director, Chief Financial Officer and Company Secretary be and are hereby severally authorized to file necessary forms with the Registrar of Companies, Kolkata and to do or cause to do such other acts, deeds things and execute all such documents, undertaking as may be considered necessary in connection with or incidental to the above.”

5. Creation of Charge and Providing Security

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

“RESOLVED THAT in supersession of the earlier resolution passed by the Members in their meeting held on August 3, 2020 the consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 to pledge, mortgage and/or charge by the Board of Directors and/or Committee of Directors of the Company, by way of charge on all the immovable and movable properties of the Company in favour of the Banks, Financial Institutions, any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party from time to time for the

due payment of the Principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the maximum extent of the indebtedness secured by the properties of the Company does not exceed INR 7,500 crores (Rupee Seven Thousand Five Hundred Crores only) at any time.

“RESOLVED FURTHER THAT the Managing Director, Chief Financial Officer and Company Secretary be and are hereby severally authorized to finalize with Banks/Financial Institutions the documents for creating aforesaid mortgage and/or the charge and to do all such acts and things as may be necessary for giving effect to the above resolution.”

6. To Issue Non-Convertible Debentures

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

“RESOLVED THAT pursuant to the provisions of Section 42 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, and subject to other applicable regulations/guidelines, 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 making offer(s) or Invitation (s) to subscribe to Non-Convertible Debentures, including bonds, on private placement basis, in one or more tranches from time to time, during a period of one year from date of passing of this resolution within the overall borrowing limits of the company not exceeding INR 5,000 crores (Rupee Five Thousand Crores only), as approved by the members, from time to time.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed for 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 to give effect to this resolution.”

7. Reappointment of Ms. Matangi Gowrishankar, Independent Director

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

“RESOLVED THAT pursuant to the provisions of Section 149 and other applicable provisions, if any, of the Act and the rules framed there under read with schedule IV to the Act, as amended from time to time and recommendation of the Nomination and Remuneration Committee and of the Board, and in accordance with the Memorandum of Association and Articles of Association of the Company and in compliance with the applicable provisions of the Companies Act, the Master Directions and the SEBI Listing Regulations, approval of the shareholders of the company is hereby accorded to reappoint **Ms. Matangi Gowrishankar (DIN:01518137)**, who has signified her consent to act as Independent and Non-Executive Director of the Company, and submitted a declaration that she meets the criteria for appointment of an Independent Director under the Companies Act and such appointment fulfils the ‘fit and proper’ criteria under the Master Directions as confirmed by resolution of the Nomination and Remuneration Committee, and is otherwise eligible for re-appointment, and whose candidature has been proposed, be and is hereby re-appointed as an Independent Director of the Company with effect from August 22, 2021 for a period of five years. Whereas **Ms. Matangi Gowrishankar** shall be entitled to receive sitting fees for attending meetings of the Board or any Committees thereof, as may be determined by the Board from time to time.”

“RESOLVED FURTHER THAT any Director, CFO and the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, desirable or expedient to give effect to the above resolutions, including completing necessary filings with the relevant regulatory authorities regarding such re-appointment.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, any Director, CFO and the Company Secretary are, severally, on behalf of the Board, be and are hereby authorized to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary, proper or desirable for such purpose, and to make any filings, furnish any returns or submit any other documents to any regulatory or governmental authorities as may be required, and to settle any question, difficulty or doubt and further to do or cause to be done all such

acts, deeds, matters and things and to negotiate, finalize and execute all documents, papers, instruments and writings as they may deem necessary, proper, desirable or expedient and to give such directions and/or instructions as they may from time to time decide and to accept and give effect to such modifications, changes, variations, alterations, deletions and/or additions as regards the terms and conditions as may be required; and any documents so executed and delivered or acts and things done shall be conclusive evidence of the authority of the Board in so doing and any document so executed and delivered or acts and things done prior to the date hereof are hereby ratified, confirmed and approved as the act and deed of the Board, as the case may be.”

8. Reappointment of Mr. Manoj Kumar Nambiar (DIN: 03172919) as Managing Director of the Company.

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

“RESOLVED THAT in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) thereto or re-enactment thereof for the time being in force) and pursuant to Article of the Articles of Association of the Company and subject to the receipt of any necessary statutory approvals from any statutory or regulatory authority and pursuant to the recommendation of the Nomination and Remuneration Committee of the Board, and the Board, the approval of the shareholders of the Company be and is hereby accorded for re-appointment of **Mr. Manoj Kumar Nambiar (DIN: 03172919)**, as the Managing Director of the Company for a period of 5 years with effect from July 01, 2021 on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee and Board which is set out in the explanatory statement annexed to the notice convening this annual general meeting.”

“RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as **“the Board”** which term shall be deemed to include Nomination and Remuneration Committee of the Board) be and is hereby severally authorised to alter and vary the terms and conditions of the said appointment and remuneration including authority

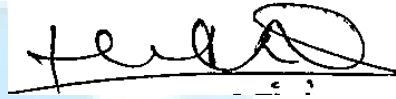
to determine/ vary from time to time the amount of salary, perquisites, other benefits and allowances and commission payable to Mr. Manoj Kumar Nambiar in such manner as may be agreed to between the Board and Mr. Manoj Kumar Nambiar, subject to the total remuneration not exceeding the limits as stated in the Companies Act, 2013 and to do all such acts, deeds, matters and things as it may, in its sole and absolute discretion deem necessary, expedient, usual or proper to give effect to this resolution.”

“RESOLVED FURTHER that any of the director, be and is hereby authorised to sign the employment contract of the Managing Director with the Company on behalf of the Board”.

Date: July 10, 2021

Place: Kolkata

**By order of the Board of Directors
For Arohan Financial Services Limited**



ANIRUDH SINGH G THAKUR

**Head- Compliance, Legal & Company
Secretary**

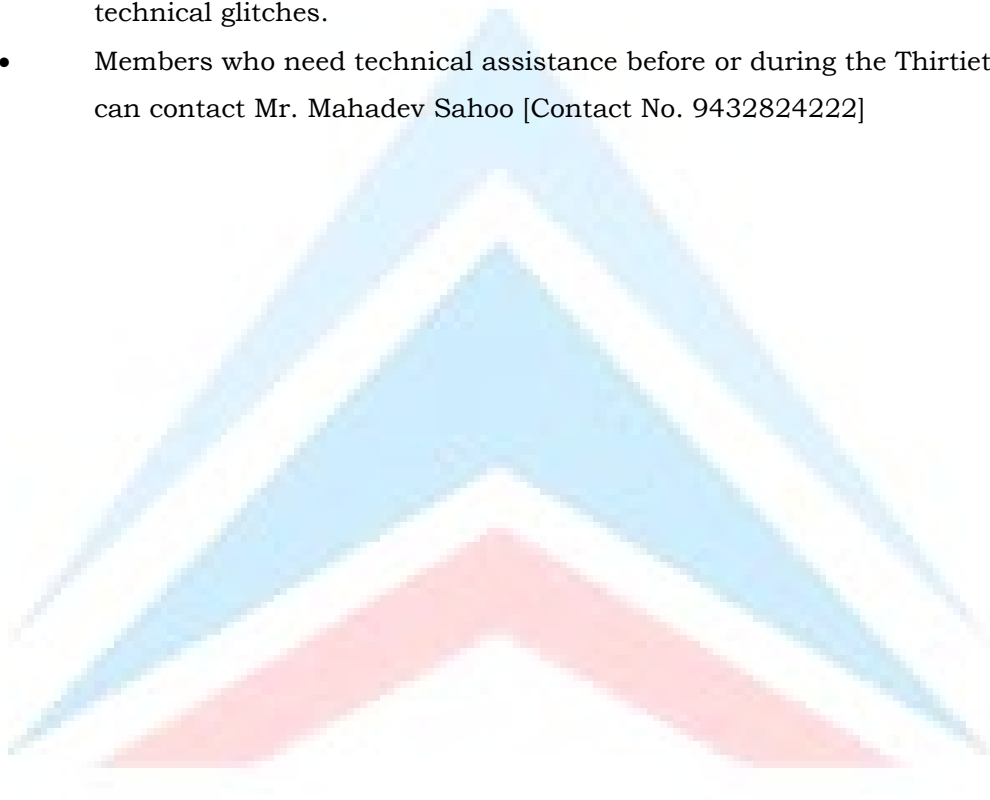
NOTES

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') vide its circular dated 13 January, 2021, read with circulars dated May 5, 2020 ,8 April 2020 and 13 April 2020 (collectively referred to as 'MCA Circulars') and SEBI circular dated 12 May 2020 permitted holding of the AGM through VC/OAVM facility, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations, 2015') and MCA Circulars, the AGM of the Company is being conducted through VC/OAVM (hereinafter called as 'e-AGM')
2. The deemed venue for Thirtieth e-AGM shall be the registered office of the Company.
3. Pursuant to the provisions of the Act, 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 a member of the Company. Since this e-AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional/Corporate Members (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorisation, etc., authorising their representative to attend the e-AGM on its behalf and to vote in the e-AGM.
5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, as amended, in respect of the special business is annexed herewith and forms part of the notice.
6. The facility of joining the e-AGM through VC /OAVM will be opened 15 minutes before and will be open up to 15 minutes after the scheduled start time of the e-AGM, i.e. from 2:45 p.m. to 3:15 p.m.
7. In terms of section 101 and 136 of the Act, read together with the Rules made thereunder, the listed companies may send the notice of e-AGM and the annual report, including Financial statements, Board Report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, SEBI circular dated 12 May 2020, Notice of 30th e-AGM along with the Annual Report for FY2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that

the said Notice and Annual Report will also be available on the Company's website www.arohan.in

8. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. Where shares are held in physical form, members are advised to register their e-mail address with compliance@arohan.in
9. SEBI vide its notification dated 8 June 2018 as amended on 30 November 2018, has stipulated that with effect from 1 April 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialised form. The Company has complied with the necessary requirements as applicable, including sending of letters to members holding shares in physical form and requesting them to dematerialise their physical holdings.
10. To comply with the above mandate, members who still hold share certificates in physical form are advised to dematerialise their shareholding to also avail of numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
11. The Company has been maintaining, *inter alia*, the following statutory registers at its registered office at PTI Building, 4th Floor, DP-9, Sector-5, Salt Lake, Kolkata-700091
 - i) Register of contracts or arrangements in which directors are interested under section 189 of the Act.
 - ii) Register of directors and key managerial personnel and their shareholding under section 170 of the Act.In accordance with the MCA circulars, the said registers will be made accessible for inspection through electronic mode, and shall remain open and be accessible to any member during the continuance of the meeting.
12. For ease of conduct, members who would like to ask questions/express their views on the items of the businesses to be transacted at the meeting can send in their questions/comments in advance to compliance@arohan.in during the period starting from August 2, 2021 (10:00 a.m) to August 4, 2021 (6:00 p.m). The queries may be raised precisely and in brief to enable the Company to answer the same suitably at the meeting.
13. Since the meeting will be conducted through VC/OAVM facility, the Route Map is not annexed to this Notice.
14. Instructions for joining the e-AGM are as follows :

- Members will be able to attend the e-AGM through VC/OAVM provided by the Company.
- Members are encouraged to join the meeting through Laptops with Google Chrome for better experience.
- Further, members will be required to allow camera, if any, and hence use internet with a good speed to avoid any disturbance during the meeting.
- While all efforts would be made to make the VC/OAVM meeting smooth, participants connecting through mobile devices, tablets, laptops, etc. may, at times, experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.
- Members who need technical assistance before or during the Thirtieth e-AGM can contact Mr. Mahadev Sahoo [Contact No. 9432824222]



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 TO THE NOTICE DATED JULY 10, 2021 (THE “NOTICE”)**Item no. 4 & 5 Increase Borrowing Power of the Company and Creation of Charge and Providing Security.**

Keeping in view the Company’s existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and the free reserves of the Company. Hence it is proposed to increase the maximum borrowing limits upto INR 7,500 crores (Rupees Seven Thousand Five Hundred Crore only). Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting. In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole of the undertaking of the Company. Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the general meeting.

The Board recommends the resolutions set out in item no. 4 & 5 of the Notice for your approval.

[None of the directors or managers or key managerial personnel of the Company or the relatives thereof are interested in these resolutions.]

Item no. 6 To Issue Non- Convertible Debentures

The Board may, at an appropriate time, consider offering or inviting subscriptions for secured/ unsecured redeemable non-convertible debentures, in one or more series / tranches, on private placement, issuable / redeemable at par, in order to augment long-term resources for financing inter alia the ongoing capital expenditure and for general corporate purposes. Section 71 of the Act which deals with the issuance of debentures read

with Section 42 of the Act which deals with the offer or invitation for subscription of securities of a company on private placement and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 provide that a company which intends to make a private placement of its non-convertible debentures, shall, before making an offer or invitation for subscription, obtain approval of its shareholders by means of a special resolution. It shall be sufficient if the company passes a special resolution only once in a year for all the offers or invitations for such non-convertible debentures during the year.

Keeping in view the above, consent of the members is sought for passing the Special Resolution as set out at Item No. 6 of the Notice. This enabling resolution authorises the Board of Directors of the Company to offer or invite subscription for redeemable non-convertible debentures, as may be required by the Company, from time to time and as set out herein, for a period of one year from the date of passing this resolution.

The Board recommends the resolutions set out in item no. 6 of the Notice for your approval.

[None of the directors or managers or key managerial personnel of the Company or the relatives thereof are interested in these resolutions.]

Item no. 7 Approval for reappointment of Ms. Matangi Gowrishankar (DIN:01518137) as Independent Director of the Company

The members of the Company at the Annual General Meeting held on August 22, 2016 appointed Ms. Matangi Gowrishankar (DIN:01518137) as an independent director for a term of five years from the date of the meeting. In terms of the provisions of Section 149 of the Act, Ms. Matangi Gowrishankar is eligible for re-appointment for her second term.

Pursuant to Sections 149, 152, 160 and all other applicable provisions, if any, of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act and Regulations, approval of the members by way of special resolution is required for the reappointment of Ms. Matangi Gowrishankar for a second term of five consecutive years from August 22, 2021 to August 22, 2026

Ms. Matangi Gowrishankar, had given her consent and also declaration that she meets with the criteria of independence as provided in Section 149(6) of the Act and Regulations. The Board of Directors reviewed the said declarations and in the opinion of the Board, Ms. Matangi Gowrishankar fulfills the conditions specified in the Act, the rules made

thereunder, Regulations for her appointment as an Independent Director and she is independent of the management.

The Board, after taking into consideration the valuable contributions made by Mrs. Matangi Gowrishankar; her participation in the Board and based on her performance evaluation, unanimously recommends the special resolution as set out at item no. 7 of this notice.

Profile of Ms. Matangi Gowrishankar:

Ms. Matangi Gowrishankar holds a bachelor's degree in sociology from the University of Madras, Chennai and Honors' Diploma in Industrial Relations and welfare from Xavier Labour Relations Institute, Jamshedpur. [After completion of her management studies in the year 1979, she has held leadership positions with various organisations like Standard Chartered Bank, Reebok India, General Electric Company, Zensar Technologies and Cummins India Limited, both in India and overseas. Most recently she has worked with the British Oil & Gas major where she was Human Resources Director for the Asia Pacific Region for the Lubricants business following which she was global head of leadership capability development in the Leadership Academy.

The terms and conditions of appointment of Ms. Matangi Gowrishankar shall be open for inspection at the Registered Office of the Company during normal business hours on any working day of the Company.

None of the Directors other than Ms. Matangi Gowrishankar, Key Managerial Personnel or their relatives is concerned or interested in the Resolution at Item No.7 of the Notice.

Item no. 8 Reappointment of Mr. Manoj Kumar Nambiar (DIN: 03172919) as Managing Director of the Company

The members of the Company at the Annual General Meeting held on August 29, 2017 approved the reappointment of Mr. Manoj Kumar Nambiar (DIN: 03172919) as the Managing Director of the Company for a period of 5 years from May 19, 2017 to May 18, 2022. Since his present employment term will cease well before the next AGM to be held for the financial year (i.e. FY 2021-22), the Company in its best interest thinks fit to re-appoint him in its Annual General Meeting for the financial year 2020-21 for further period of five years, in compliance with Section 196, 197 and 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s)

thereto or re-enactment thereof for the time being in force) and pursuant to Article of the Articles of Association of the Company.

Mr. Nambiar joined the Company in October, 2012 and under his dynamic and able leadership the Company have crossed various milestones and enhanced the stakeholders' value. The Company has already filed DRHP and got approval from SEBI for its proposed IPO with Mr. Manoj Nambiar as the Managing Director of the Company. In addition to this, he is critical person identified for the Company as a part of the Company's succession plan from a long term prospective. Taking into consideration all of the above and the valuable contributions made by Mr. Nambiar along with the need for his strategic directions for the future growth of the Company and stability at the top, the Nomination and Remuneration Committee and the Board have recommended the re-appointment of Mr. Nambiar well before the Company goes ahead with its proposed IPO plans, on the terms and conditions as set out hereunder.

As recommended by the Nomination and Remuneration Committee, the Board of Directors at its meeting held on July 10, 2021, unanimously approved the re-appointment of Mr. Manoj Kumar Nambiar as the Managing Director of the Company for a period of five years i.e. with effect from July 01, 2021 to June 30, 2026, pursuant to the provisions of the Act, subject to the approval of the members of the Company.

The approval of the members by way of special resolution is sought for Mr. Manoj Kumar Nambiar reappointment as Managing Director and for payment of remuneration to him for a period of 5 years from July 01, 2021 to June 30, 2026.

Profile of Mr. Manoj Kumar Nambiar:

Mr. Manoj Kumar Nambiar holds a Bachelor's degree in Engineering (Mechanical branch) from VJTI, Mumbai and a Master's degree in Management Studies from the University of Bombay. He has also completed the 'Strategic Leadership in Microfinance' course from Harvard Business School, USA. He has worked with various companies in the fields of business development, consumer banking and microfinance across India and the Middle East. Previously, he has worked with Xerox India Limited (formerly, Modi Xerox Limited), Countrywide Consumer Financial Services Limited, ANZ Grindlays Bank, ABN Amro Bank N.V., National Bank of Oman, Ahli Bank and with Alhamrani Company for Investment in Trade. He has chaired the governing board of MFIN, the self-regulatory organisation for

NBFC-MFIs recognised by the RBI, since 2019, having first joined MFIN's board in 2013. He was also the President of MFIN in 2015-16 and currently Chairman of MFIN.

The broad particulars of the terms and conditions of appointment including remuneration payable to Mr. Manoj Kumar Nambiar are as follows:

(a) Remuneration comprising of salary, perquisites/ benefits and commission shall be as follows:

The fixed cost-to-company of INR 1,50,00,216 [As per the employment contract]

(b) Perquisites and Allowances:

i. The company's contribution to provident fund, superannuation or annuity fund, gratuity payable, statutory contribution to retirement funds and encashment of leave, as per the rules of the company, shall be in addition to the basic salary mentioned under (a) above, and as per the limits prescribed under the applicable laws of the country.

ii. The Managing Director shall be entitled to perquisites as per the Employment contract.

(c) Reimbursement of Expenses:

The Managing Director shall be reimbursed at actuals for all the expenses incurred by him/her for travelling, boarding and lodging including for his spouse and attendant(s) during business trips conducted on behalf of the company. These reimbursement of expenses will not be included in the calculation remuneration or Managing Director of the perquisites of the Managing Director.

(d) Bonus/ Employees Stock Options:

The Managing Director shall be paid Performance Linked Bonus in each financial year, based on the performance parameters as may be determined by the Board of Directors or any of its committees. These bonuses shall not be considered as a part of perquisites under (b) above.

The Managing Director may be granted employees stock options from time to time, which shall not be considered as a part of perquisites under (b) above.

(e) Minimum Remuneration:

In the event of loss or inadequacy of profits in any financial year, during the currency of the term of the Managing Director, the Company will pay remuneration to the Managing Director, within the maximum ceiling per annum as per Section II of Part II of Schedule V to the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, as per the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors of the Company.

(f) Notice Period: Six (6) months from the date of termination.

The disclosure as per Section II, Part II of Schedule V are as follows:

I. General Information:

- 1) **Nature of Industry:** BFSI
- 2) **Date or expected date of commencement of commercial production:** Not Applicable
- 3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable
- 4) **Financial performance based on given indicators:** Not Applicable
- 5) **Foreign investments or collaborations, if any.:** Not Applicable

II. Information about the appointee:

- 1) **Background details:** Mr. Nambiar joined the Company in October, 2012 and under his dynamic and able leadership the Company have crossed various milestones and enhanced the stakeholders' value. The Company as a part of its succession plan also finds Mr. Nambiar a suitable candidate from a long term prospective.
- 2) **Past Remuneration:** INR 164.49 Lakhs.
- 3) **Recognition or awards:** As stated in the profile.
- 4) **Job profile and his suitability:** As per the roles and responsibilities detailed in the Employment Agreement.
- 5) **Remuneration proposed:** As per Employment Agreement.

- 6) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):** The remuneration payable is as per general industry norms and commensurate with the operation of the Company and job responsibilities.
- 7) **Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel, if any:** No direct or indirect relation.

III. Other information:

- 1) **Reasons of loss or inadequate profits:** Due to the pandemic lockdown has been imposed in different states, during the lockdown, due to reduced economic activities, our customers were largely not able to generate sufficient income to meet their livelihood needs and repayment of loans was impacted during this period. This has led to deferral of repayments and partial repayment from some of the customers, which has forced us to take additional provision during the financial year 2020-21. The other reasons were reverse migration issues, local and interstate transportation. A few states like West Bengal, Odisha, Assam and Bihar were hit by flood and cyclones in FY20, which impacted many lives across districts of these states. Cyclone Amphan in West Bengal and Odisha and floods in Bihar and Assam impacted the income generating activities of our customers and their loan repayment got adversely impacted. The above facts have led the Company to book higher provisions, accordingly March 2021, financial was closed with post provision losses. However, we have reported a pre-provision profit and we have no operational loss in the Company.
- 2) **Steps taken or proposed to be taken for improvement:** The management believes that, lowering of the Covid cases and restrictions being slowly relaxed would improve the scenario and livelihood of the customers will be retained. Further, now the lockdown is only for the partial day and not for 24 hours. Customer's business activity is partially functioning and hence can generate reasonable income. Some part of the day being open, movement has helped us to remain in touch with our clients and get the collections. Resolution to the Assam issue will certainly add to the recovery and collections. Other steps taken by the Company is Strengthening of the new RCSR (Recovery loan officer) cadre for recovery, implementing various reliefs as given by the RBI, and raising adequate capital to support the

business needs. The management further believes that the above steps would give momentum to the business and the schedule collections and recovery would improve.

- 3) **Expected increase in productivity and profits in measurable terms:** As per the above mentioned facts and with the start of inoculation in several parts of the Country and visceral vaccine protectionism, the management believes that the livelihood of the customer would definitely enhance, collections/recovery will improve and with business growth will lead to profits in the upcoming quarters.

The relative of Mr. Manoj Kumar Nambiar holds 2,002 Equity Shares of the face value of INR 10 each in the Company, which amounts to 0.00% of the total number of equity shares of the company.

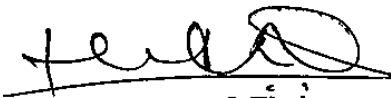
The Board, after taking into consideration, the valuable contributions made by Mr. Manoj Kumar Nambiar and based on the recommendation of the Nomination and Remuneration Committee, unanimously recommends the special resolution as set out at item no. 8 of this notice. The terms and conditions of re-appointment of Mr. Manoj Kumar Nambiar shall be open for inspection at the Registered Office of the Company during normal business hours on any working day of the Company.

Save and except Mr. Manoj Kumar Nambiar, and their relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 8 of the Notice.

Date: July 10, 2021

Place: Kolkata

**By order of the Board of Directors
For Arohan Financial Services Limited**



**ANIRUDH SINGH G THAKUR
Head- Compliance, Legal & Company
Secretary**