

### **NOTICE**

Notice is hereby given that the Extra Ordinary General Meeting(EGM) of the Members of Arohan Financial Services Limited ("Arohan" or "the Company") will be held on Monday, March 28, 2022 at 15:00 hours IST through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') at **a shorter notice** to transact the following business:

### **SPECIAL BUSINESS:**

#### **1. TO ISSUE COMPULSORY CONVERTIBLE DEBENTURES (CCDS) ON PRIVATE PLACEMENT BASIS.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 42, 62 and 71 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, and other relevant rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force (the "**Act**"), Rules, Regulations, Guidelines, Notifications, Clarifications and Circulars, if any, prescribed by the Government of India, all applicable Regulations, Directions, Guidelines, Circulars and Notifications of the Reserve Bank of India ("**RBI**"), and in accordance with the Memorandum of Association and the Articles of Association of the Company and any other rules / regulations/ guidelines, if any, prescribed by the Reserve Bank of India or

any other statutory regulatory authority; the approval of the Shareholders of the Company be and is hereby accorded to create, offer, issue and allot 175 Unlisted, Compulsory Convertible Debentures denominated in Indian Rupees ("INR") each having a face value of INR 1,00,00,000/- (Rupees One Crore only) upto INR 175,00,00,000/- (Rupees One Hundred and Seventy Five Crore) ("**Compulsory Convertible Debentures**")(**hereinafter referred to as "CCDs"**) at the interest rate of 15% (Fifteen percent) per annum compounded monthly or at such frequency as may be agreed, on preferential allotment/private placement basis to the following subscriber:

Sl. No.	Details of Subscriber	Number of CCDs	Face Value per CCDs (Amount in INR)	Consideration (Amount in INR)
1.	IVY ICON SOLUTIONS LLP	150	1,00,00,000/-	150,00,00,000/-
2.	Kiran Vyapar Limited	25	1,00,00,000/-	25,00,00,000/-

1. The CCDs shall be converted into Equity Shares of face value of INR 10/- each at a price which shall be determined on the following basis;

- (a) (Subject to (b) below) In the event of conversion of the CCDs after a 'bonafide exit offer' (as defined in the transaction documents) has been provided to the CCD holders, at such discount to the price per equity share offered to the CCD holders as part of such exit, such that the CCD holders would have received the required minimum IRR

if the equity shares had been sold by the CCD holders as part of such exit;

(b) In the event of conversion of the CCDs in the event of the occurrence of an 'event of default' (as defined in the transaction documents) including if exit to the debenture holders is not provided within the agreed time period, at a price which shall be the product of (a) 0.75 and (b) the book value of the equity shares (as shall be defined in the transaction documents) determined as per a valuation of the Company as on the last date of the quarter immediately preceding the date of conversion, conducted by a registered valuer or merchant banker, acceptable to the CCD Holders.

2. The CCDs by themselves do not give any right of voting in the Company.

3. The new Equity Shares issued on conversion of CCDs shall be in dematerialized form and subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects with the existing issued and subscribed Equity Shares of the Company.”

**"RESOLVED FURTHER THAT** the CCDs shall be converted into Equity Shares within a period of 21 months from the date of allotment of CCDs or if so required by the Debenture Holders, on the occurrence of the optional conversion events set out in the transaction documents which shall be executed in relation to the issue.”

**"RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted pursuant to conversion of CCDs subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu with the existing equity shares of the Company in all respects.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of the Acts & Rule, the names of the Subscribers be recorded for the issue of invitation to subscribe to the CCDs and a private placement offer cum application letter in Form No. PAS-4 be issued to the Subscribers inviting the Subscribers to subscribe to the CCDs, as per the draft tabled at the Meeting and duly initialed by the Managing Director or the Company Secretary for the purpose of identification and consent of the Company is hereby accorded to the issuance of the same.”

**“RESOLVED FURTHER THAT** the monies received by the Company from the Subscribers for application of the CCDs pursuant to this private placement shall be kept by the Company in a separate bank account and shall be utilized by the Company in accordance with Section 42 of the Companies Act 2013.”

**"RESOLVED FURTHER THAT** Mr. Manoj Kumar Narayan Nambiar (Managing Director), Mr. Milind Ramchandra Nare (Chief Financial Officer), Mr. Anirudh Singh G. Thakur (Company Secretary), Mr. Vikash Kedia (GM- Finance), Lokesh Dulalsankar Ray (Deputy GM- Treasury) and Mr. Dinesh Mourya (Senior Manager- Legal & Compliance)(collectively, the **“Authorised Persons”**) be and are hereby severally authorised to do such acts, deeds and things as they deem necessary or desirable in connection with the issue, offer and allotment of the CCDs, including execution of the CCD agreement and the amendment to the existing shareholders agreement executed between the company, the CCD holders and the other shareholders of the company

**"RESOLVED FURTHER THAT** the Shareholders hereby approve and ratify all such acts, deeds and actions taken by the Company till date for the purpose of the issue, offer and allotment of the CCDs."

**"RESOLVED FURTHER THAT** any one of the Authorised Persons be and are hereby severally authorised to record the name of the holders of the CCDs in the register of debenture holders and to undertake such other deeds and acts as may be required to give effect to the issuance and allotment of the CCDs."

**"RESOLVED FURTHER THAT** the Authorised Persons be and are hereby severally authorised to delegate the powers as may be deemed necessary to do such acts and execute such documents as may be required in connection with any of the matters relating to the issue of the CCDs."

**"RESOLVED FURTHER THAT** the copies of the foregoing resolutions certified to be true copies by any Director or Company Secretary of the Company be furnished to such persons as may be deemed necessary.""

**2. RECLASSIFICATION OF AUTHORISED SHARE CAPITAL & CONSEQUENT AMENDMENT IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY.**

To consider, and if deemed fit, pass with or without modification(s) the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 13, 61 and all other applicable provisions, if any, of the Companies Act, 2013 (along

with any rules thereunder, including any statutory modification(s) or re-enactment thereof for time being in force and as may be enacted from time to time ) (“Act”), and the articles of association of the Company (AOA), consent of the Members of the Company be and is hereby accorded to the re-classification of the existing authorized share capital of the Company being INR 1,600,000,000 (One Hundred Sixty Crore) divided into 160,000,000 Equity Shares of INR 10 each to-

INR 1,350,000,000 (Rupees One Hundred Thirty-Five Crore Only) divided into 135,000,000 Equity shares for a face value of INR 10/- each (Rupees ten only),

and

INR 250,000,000 (Rupees Twenty-Five Crore Only) divided into 25,000,000 Compulsorily Convertible Preference Shares for a face value of INR 10/- each (Rupees ten only).

**“RESOLVED FURTHER THAT** the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by following new Clause V as under:

The Authorized Capital of the Company is INR 1,600,000,000 (One Hundred Sixty Crore) divided into 160,000,000 Equity Shares of INR 10 each to-

INR 1,350,000,000 (Rupees One Hundred Thirty-Five Crore Only) divided into 135,000,000 Equity shares for a face value of INR 10/- each (Rupees ten only),

and



INR 250,000,000 (Rupees Twenty-Five Crore Only) divided into 25,000,000 (Two Crore Fifty Lakh) Compulsorily Convertible Preference Shares for a face value of INR 10/- each (Rupees ten only),  
with the power to the Board to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company (AOA) and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company and the Act;

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, the Managing Director, the Chief Financial Officer and the Company Secretary are severally, hereby severally authorized to do all such acts, deeds including but not limited to signing, executing documents, agreements, letters, deeds, filing the relevant forms including returns and/or reports in Form SH-7, Form MGT-14 or such other document as applicable with the Ministry of Corporate Affairs and/or Registrar of Companies, and with such other authorities as may be required from time to time and to do all such acts, deeds or things as may be required to give effect to the aforesaid resolution.”

**3. To Issue Compulsory Convertible Preference Shares (CCPS) ON PRIVATE PLACEMENT BASIS.**

To consider, and if deemed fit, pass with or without modification(s) the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 42, 55, and 62 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, and other relevant rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force (the "**Act**"), Rules, Regulations, Guidelines, Notifications, Clarifications and Circulars, if any, prescribed by the Government of India, all applicable Regulations, Directions, Guidelines, Circulars and Notifications of the Reserve Bank of India ("**RBI**"), and in accordance with the Memorandum of Association and the Articles of Association of the Company and any other rules / regulations/ guidelines, if any, prescribed by the Reserve Bank of India or any other statutory regulatory authority; Consent of the Shareholders of the Company be and is hereby accorded (a) to create, offer, issue and allot Compulsory Convertible Preference Shares denominated in Indian Rupees ("INR") each having a face value of INR 10/- (Rupees Ten only) upto INR 175,00,00,000/- (Rupees One Hundred and Seventy Five Crore) ("**Compulsory Convertible Preference Shares**")(**hereinafter referred to as "CCPS"**) on preferential allotment/private placement basis to the following subscriber:

Sl. No.	Details of Subscriber	Number of CCPS	Issue Price (Amount in INR)	Consideration (Amount in INR)
1.	IVY ICON SOLUTIONS LLP	179,08,310	83.76	150,00,00,000



2.	Kiran Vyapar Limited	29,84,718	83.76	25,00,00,000
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on the followings terms and conditions:

1. The CCPS shall be converted into Equity Shares of face value of INR 10/- each at a conversion price which will be determined as per the Term Sheet tabled before the board and as will be more particularly provided for in the transaction documents which shall be executed in relation to the issue.
2. The CCPS by themselves do not give any right of voting in the Company.
3. The new Equity Shares issued on conversion of CCPS shall be in dematerialized form and subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects with the existing issued and subscribed Equity Shares of the Company.”

**"RESOLVED FURTHER THAT** the CCPS shall be converted into Equity Shares within a period of 21 months from the date of allotment of CCPS or if so required by the CCPS Holders, on the occurrence of the optional conversion events set out in the transaction documents which shall be executed in relation to the issue.”

**"RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted pursuant to conversion of CCPS subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu with the existing equity shares of the Company in all respects."

**“RESOLVED FURTHER THAT** pursuant to the provisions of the Acts & Rule, the names of the Subscribers be recorded for the issue of invitation to subscribe to the CCPS and a private placement offer cum application letter in Form No. PAS-4 be issued to the Subscribers inviting the Subscribers to subscribe to the CCPS, as per the draft tabled at the Meeting and duly initialed by the Managing Director or the Company Secretary for the purpose of identification and consent of the Company is hereby accorded to the issuance of the same.”

**“RESOLVED FURTHER THAT** the monies received by the Company from the Subscribers for application of the CCPS pursuant to this private placement shall be kept by the Company in a separate bank account and shall be utilized by the Company in accordance with Section 42 of the Companies Act 2013.”

**"RESOLVED FURTHER THAT** Mr. Manoj Kumar Narayan Nambiar (Managing Director), Mr. Milind Ramchandra Nare (Chief Financial Officer), Mr. Anirudh Singh G. Thakur (Company Secretary), Mr. Vikash Kedia (GM- Finance), Lokesh Dulalsankar Ray (Deputy GM- Treasury) and Mr. Dinesh Mourya (Senior Manager- Legal & Compliance)(collectively, the “Authorized Persons”) be and are hereby severally authorised to do such acts, deeds and things as they deem necessary or desirable in connection with the issue, offer and allotment of the CCPS, including, without limitation the following: including execution of the CCPS agreement and the amendment to the existing shareholders agreement executed between the company, the CCPS holders and the other shareholders of the company.

**"RESOLVED FURTHER THAT** the Shareholders hereby approve and ratify all such acts, deeds and actions taken by the Company till date for the purpose of the issue, offer and allotment of the CCDs."

**"RESOLVED FURTHER THAT** any one of the Authorised Persons be and are hereby severally authorised to record the name of the holders of the CCPS in the register of debenture holders and to undertake such other deeds and acts as may be required to give effect to the issuance and allotment of the CCPS."

**"RESOLVED FURTHER THAT** the Authorised Persons be and are hereby severally authorised to delegate the powers as may be deemed necessary to do such acts and execute such documents as may be required in connection with any of the matters relating to the issue of the CCPS."

**"RESOLVED FURTHER THAT** the copies of the foregoing resolutions certified to be true copies by any Director or Company Secretary of the Company be furnished to such persons as may be deemed necessary."

**By order of the Board of Directors**

**Anirudh Singh G Thakur**  
**Head- Legal, Compliance & Company Secretary**  
**Membership No:A13210**

**Date: March 24, 2022**

**Place: Kolkata**

## NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), as amended, in respect of the Special Business is annexed herewith and forms part of the notice.
2. In view of the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') vide Circular No. 20/2021 dated December 08, 2021 read with earlier issued Circular No. 17/2020 dated April 13, 2020 and Circular No. 14/2020 dated April 08, 2020 (collectively referred to as 'MCA Circulars') read with the Act has permitted the holding of the Extra Ordinary General Meeting (EGM) through VC/OAVM facility, without the physical presence of the members at a common venue. In compliance with the provisions of the Act read with aforesaid MCA Circulars, this EGM of the Company is being conducted through VC/OAVM (hereinafter called as 'e-EGM').
3. The deemed venue for the e-EGM shall be the Registered Office of the Company i.e. PTI Building, 4th Floor, DP-9, Sector-V, Salt Lake Kolkata - 700091.
4. 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-EGM is being held pursuant to the MCA Circulars through

VC/OAVM facility, physical attendance of the Members of the Company has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the e-EGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

5. 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-EGM on its behalf and to vote in the e-EGM to the Company at the following email id [compliance@arohan.in](mailto:compliance@arohan.in).
6. Members who have not yet registered their email addresses are requested to register the same with their Depository Participants ("DPs").
7. In case a Poll on any item is demanded by the Members at the e-EGM, the Members shall cast their votes on the Resolutions only by sending e-mails through their e-mail addresses which are registered with the Company. The said emails shall only be sent to the following designated e-mail id [admin@arohan.com](mailto:admin@arohan.com).
8. Where less than 50 (fifty) Members are present in a meeting, the Chairman may decide to conduct a vote by show of hands, unless a demand for poll is made by any Member in accordance with Section 109 of the Act.

9. The facility of joining the e-EGM through VC /OAVM shall be opened 15 minutes before and will be remained open up to 15 minutes after the scheduled start time of the e-EGM, i.e. from 15:00 hours (I.S.T) to 15:30 (I.S.T) on Monday, March 28, 2022.
10. The Notice of e-EGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories and will also be available on the Company's website ([www.arohan.in](http://www.arohan.in)) and on BSE Limited ([www.bseindia.com](http://www.bseindia.com)). Members are requested to kindly register/update their email address with their respective depository participants, 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](mailto:compliance@arohan.in).
11. 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](mailto:compliance@arohan.in) during the period starting from March 26, 2022 till March 27, 2022. The queries may be raised precisely and in brief to enable the Company to answer the same suitably at the meeting.
12. SEBI vide its notification dated June 08, 2018 as amended on November 30, 2018, has stipulated that w.e.f April 01, 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.

13. 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.
14. Members attending the e-EGM through VC/OAVM shall be counted for the purpose of reckoning Quorum under Section 103 of the Act.
15. 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; and
  - 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 available for inspection through electronic mode, and shall remain open and be accessible to any member during the continuance of the meeting.

16. Since the meeting will be conducted through VC/OAVM facility, the Route Map is not annexed to this Notice.
17. Instructions for joining the e-EGM are as follows:
  - Members will be able to attend the e-EGM 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; and
  - Members who need technical assistance before or during the e-EGM can contact the Company Secretary/Secretarial Department at +91 9883733233 and +91 9833188190;
18. All documents referred to in the notice and in the accompanying explanatory statement are open for inspection at the registered office of the Company during office hours on all working days, except Saturdays, Sundays and public holidays, between 9:30 A.M. (IST) and 6:30 P.M. (IST), up to the date of the e-EGM. In accordance with the MCA circulars, the said registers will be made accessible for inspection through electronic mode.

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

**Item No. 1: To issue Compulsory Convertible Debentures (CCDs) on a Private Placement Basis.**

In order to meet the Capital Adequacy Requirement of the Company for the purpose of business expansion and to tap the enormous growth potential in the market, the Company had been exploring various avenues of funding. After considerable deliberation, it was decided to avail funding by way of issue of Compulsory Convertible Debentures.

Accordingly, it is proposed to issue 175 Compulsory Convertible Debentures (CCDs) of face value INR 1,00,00,000/- (Rupees One Crore only) each aggregating to INR 175,00,00,000/- (Rupees One Hundred and Seventy-Five Crore) each to the following subscriber(s) on a private placement basis for a term of 21 months.

<b>Sl. No.</b>	<b>Details of Subscriber</b>	<b>Number of CCDs</b>	<b>Face Value per CCDs (including premium) (Amount in INR)</b>	<b>Consideration (Amount in INR)</b>
1.	IVY ICON SOLUTIONS LLP	150	1,00,00,000/-	150,00,00,000/-

2.	Kiran Vyapar Limited	25	1,00,00,000/-	25,00,00,000/-
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The management propose to use the proceeds from the Offer for augmenting the Tier I capital, which will be identified by the Board, and for meeting requirements of funds for general corporate purposes of the Company.

Accordingly, the approval of the Shareholders is required in accordance with Sections 42 and 62 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder. Also an offer or invitation to subscribe securities under the private placement shall not be made to persons more than two hundred in the aggregate in a financial year.

**Further details of the proposed offer are disclosed below:**

The following disclosures for the issue of CCDs on preferential basis are made in accordance with the provisions of Section 42, 62 and 71 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debenture) Rules, 2014:

**(i) Particulars of the offer including date of passing of Board Resolution:**

The Board has pursuant to its Resolution dated March 17, 2022, accorded its approval for raising funds by issuing CCDs upto INR 175,00,00,000/- (Rupees One Hundred and Seventy Five Crore) of face value of INR 1,00,00,000/- (Rupees One Crore only) on a preferential basis through

private placement. CCDs shall be converted in to Equity Shares at maturity date of CCDs i.e. on 21 months or earlier in accordance with the transaction documents at the conversion price and all equity shares issued to the CCD holders shall rank in all respects pari passu with the existing Equity Shares.

**(ii) Objects of the issue:**

The proceeds from the issue will be utilized for the purpose of augmenting the Tier I capital to be identified by the Board, and for meeting requirements of funds for general corporate purposes of the Company.

**(iii) The total number of shares or other securities to be issued: -**

175 Compulsory Convertible Debentures (CCDs), in one or multiple tranches, as may be applicable.

**(iv) Kinds of securities offered and the price at which security is being offered:**

CCDs are offered at a face value of INR 1,00,00,000/-.

**(v) The price or price band at/within which the allotment is proposed**

The CCDs are being issued at par.

**(vi) Basis or justification on which the price has been arrived at (including premium) at which the offer or invitation is being made, along with report of the Registered Valuer:**

The CCDs are being issued at par.

The conversion price for conversion of the CCDs into equity shares shall be determined on the following basis.

- (a) (Subject to (b) below) In the event of conversion of the CCDs after a 'bonafide exit offer' (as defined in the transaction documents) has been provided to the CCD holders, at such discount to the price per equity share offered to the CCD holders as part of such exit, such that the CCD holders would have received the required minimum IRR if the equity shares had been sold by the CCD holders as part of such exit;
- (b) In the event of conversion of the CCDs in the event of the occurrence of an 'event of default' (as defined in the transaction documents) including if exit to the debenture holders is not provided within the agreed time period, at a price which shall be the product of (a) 0.75 and (b) the book value of the equity shares (as defined in the transaction documents) determined as per a valuation of the Company as on the last date of the quarter immediately preceding the date of conversion, conducted by a registered valuer or merchant banker, acceptable to the CCD Holders

**(vii) Name and address of valuer who performed valuation:**

**Madhumita Karar**

Registered Valuer- Securities or Financial Assets  
Registration No.- IBBI/RV/06/2018/10341

Chatterjee International Centre, 17<sup>th</sup> Floor, Flat No-13A  
33A, J.L Nehru Road, Kolkata-700 071

**(viii) Relevant date with reference to which the price has been arrived at:**



February 15, 2022

**(ix) Amount which the Company intends to raise by way of such securities:**

INR 175,00,00,000/- (Rupees One Hundred and Seventy Five Crore)

**(x) Material terms of raising such securities:**

**Duration:** The CCDs shall automatically convert into equity shares of the Issuer, based upon the Conversion Price, on the date falling at the expiry of 21 months from the Deemed Date of Allotment. Without prejudice to the aforesaid, the CCD holders will have the option to require conversion of the CCDs in advance of the mandatory conversion date on the occurrence of certain identified events which have been set out in the transaction documents executed in relation to the issue.

**Rate of interest:** 15% (Fifteen percent) per annum compounded monthly.

**Conversion Price:** The Conversion Ratio applicable to the Debentures shall, subject to any adjustments being made thereto shall be determined based on the transaction documents which shall be executed in relation to the issue;

**Mode of payment:** ECS / RTGS / NEFT / Cheque

**(xi) Proposed time schedule:**

Within 60 (sixty) days from the date of this offer letter.

**(xii) Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects:**

No contribution being made by the promoters or directors neither as part of the offer nor separately in furtherance of objects.

**(xiii) Principle terms of assets charged as securities:**

NA

**(xiv) The class or classes of persons to whom the allotment is proposed to be made:**

Allotment to specific Identified Investors, viz, Body corporate.

**(xv) Intention of promoters, directors or key managerial personnels to subscribe to the offer:**

None of the promoters, directors or key managerial personnels of the Company intend to subscribe to the proposed issue.

**(xvi) The proposed time within which the allotment shall be completed:**

Within [2] days from the receipt of Application Money.

**(xvii) The name of the proposed allottees and the percentage of post preferential offer capital that may be held by them:**

Not applicable since its CCD.

**(xviii) The change in control, if any, in the company that would occur consequent to the preferential offer;**

No change in control.

**(xix) The number of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:**

No securities have been allotted during the year.

**(xx) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

Consideration in cash only.

**(xxi) The pre issue and post issue shareholding pattern of the Company in the following format:**

Sr No	Category	Pre-issue		Post-issue	
		No of shares held	% of share holding	No of shares held	% of share holding
A	Promoters' holding				
1	Indian				
	Individual	--	-	-	-
	Bodies corporate	4,12,35,920	34.31	4,12,35,920	34.31
	Sub-total	4,12,35,920	34.31	4,12,35,920	34.31
2	Foreign promoters	-	-	-	-

Sr No	Category	Pre-issue		Post-issue	
	sub-total (A)	4,12,35,920	34.31	4,12,35,920	34.31
B	Non-promoters' holding	-	-	-	-
1	Institutional investors	6,38,44,777	53.13	6,38,44,777	53.13
2	Non-institution	-	-	-	-
	Private corporate bodies	19,79,839	1.65	19,79,839	1.65
	Directors and relatives	12,102	0.01	12,102	0.01
	Indian public	69,76,505	5.81	69,76,505	5.81
	others (including NRIs)	61,28,160	5.09	61,28,160	5.09
	Sub-total (B)	7,89,41,383	65.69	7,89,41,383	65.69
	Grand Total	12,01,77,303	100	12,01,77,303	100

As required by Section 102(3) of the Companies Act, 2013, the documents with regard to the preferential issue shall be available for inspection at the Registered Office of the Company during business hours from 9:30 A.M. to 6:30 P.M.

The Board of Directors of the Company believes that the proposed private placement issue is in the best interest of the Company and its members. The Board of Directors, therefore, recommends the resolution for your approval by way of a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or the relatives thereof is concerned or interested in the aforesaid resolution.

**Item No. 2: Reclassification of Authorised Share Capital & Consequent amendment in the Memorandum of Association of the Company.**

The Board of Directors, in their meeting held on March 24, 2022, approved the issue of Cumulative Convertible Preference Shares through private placement, subject to the approval of the Shareholders of the Company. In view of the proposed issue of the preference shares, it is proposed that the Authorised Share Capital of the Company be reclassified as mentioned in the resolution set out in Item no: 2 of this Notice.

The Articles of Association of the Company, permits the Company to alter its authorised Share Capital. The proposed change of capital clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 61 of the Companies Act, 2013.

The Board at its meeting held on March 24, 2022, considered and approved the reclassification of the authorised Share Capital of the Company and consequent amendment to the Memorandum of Association of the Company, subject to the approval of the shareholders.

As required by Section 102(3) of the Companies Act, 2013, the copy of the proposed Memorandum of Association shall be available for inspection at the Registered Office of the Company during business hours from 9:30 A.M. to 6:30 P.M.

None of the Directors, Key Managerial Personnel of the Company or the relatives thereof is concerned or interested in the aforesaid resolution.

The Board recommends the Special Resolution set forth in Item No. 2 of the Notice for approval of the Members.

**Item No. 3: To issue Compulsory Convertible Preference Shares (CCPS) on a Private Placement Basis.**

The Board in their meeting dated March 17, 2022, approves the issuance of CCDs subject to approval of the shareholders. The CCDs has been approved by the Board with an understanding that the same would be considered as Tier I capital, but in the absence of definite clarification in the RBI Regulations or any guidelines with regard to classification of CCDs as Tier I capital, the Board has further approved to issue CCPS in view of the said ambiguity. Since the RBI has been very clear about the classification of CCPS as Tier I capital, it has been further advised to the Management to seek necessary guidance from the RBI about the above issue on the classification of CCDs as Tier I capital. If the Management succeeds in getting the necessary clarification from the RBI about the above issue, then the issuance of CCDs would be preferred and considered, otherwise, the issuance of CCPS would be considered subject to approval of the shareholders.



In order to meet the Capital Adequacy Requirement of the Company, while sustaining the projected business growth, the Company proposes to raise capital by preferentially issuing up to INR 175 Crores Compulsory Convertible Preference Shares (CCPS) at Price of INR 83.76 each, which includes INR 73.76 as premium and INR 10 as face value of the proposed issue. The Equity Shares to be allotted in exchange of CCPS shall rank pari passu in all respects with the existing Equity Shares.

The brief terms and conditions of the proposed issue are as follows:

- a) **Amount of CCPS to be issued** – Up to INR 175 Crores
- b) **Identified Investor** –

Sl. No.	Details of Subscriber	Number of CCPS	Issue Price (Amount in INR)	Consideration (Amount in INR)
1.	IVY ICON SOLUTIONS LLP	179,08,310	83.76	150,00,00,000
2.	Kiran Vyapar Limited	29,84,718	83.76	25,00,00,000

The management propose to use the proceeds from the Offer for augmenting the Tier I capital, which will be identified by the Board, and for meeting requirements of funds for general corporate purposes of the Company.

Accordingly, the approval of the Shareholders is required in accordance with Sections 42, 55 and 62 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder. Also an offer or invitation to subscribe securities under the private placement shall not be made to persons more than two hundred in the aggregate in a financial year.

**Further details of the proposed offer are disclosed below:**

The following disclosures for the issue of CCPS on preferential basis are made in accordance with the provisions of Section 42, 55, 62 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debenture) Rules, 2014:

**(i) Particulars of the offer including date of passing of Board Resolution:**

The Board has pursuant to its Resolution dated March 24, 2022, accorded its approval for raising funds by issuing CCPS up to INR 175 Crores Compulsory Convertible Preference Shares (CCPS) at Price of INR 83.76 each, which includes INR 73.76 as premium and INR 10 as face value of the proposed issue. The Equity Shares to be allotted in exchange of CCPS shall rank pari passu in all respects with the existing Equity Shares. CCPS shall be converted into Equity Shares, within a period of 21 months from the date of allotment of CCPS on a terms and condition mentioned in the transaction documents executed/to be executed in this regard. The equity

shares to be issued to the CCPS holders shall rank in all respects pari passu with the existing Equity Shares.

**(ii) Objects of the issue:**

The proceeds from the issue will be utilized for the purpose of augmenting the Tier I capital to be identified by the Board, and for meeting requirements of funds for general corporate purposes of the Company.

**(iii) The total number of shares or other securities to be issued: -**  
20893028 Compulsory Convertible Preference Shares (CCPS), in one or multiple tranches, as may be applicable.

**(iv) Kinds of securities offered and the price at which security is being offered:**

CCPS and the CCPS are offered at a Price of INR 83.76 each, which includes INR 73.76 as premium and INR 10 as face value.

**(v) The price or price band at/within which the allotment is proposed**

The CCPS are being issued at a Price of INR 83.76 each, which includes INR 73.76 as premium and INR 10 as face value.

**(vi) Basis or justification on which the price has been arrived at (including premium) at which the offer or invitation is being made, along with report of the Registered Valuer:**

Price arrived as per Discounted Cash Flow valuation method. A copy of the valuation report dated February 15, 2022 shall be available for inspection

at the Registered Office of the Company during business hours from 9:30 A.M. to 6:30 P.M.

**(vii) Name and address of valuer who performed valuation:**

**Madhumita Karar**

Registered Valuer- Securities or Financial Assets

Registration No.- IBBI/RV/06/2018/10341

Chatterjee International Centre, 17<sup>th</sup> Floor, Flat No-13A

33A, J.L Nehru Road, Kolkata-700 071

**(viii) Relevant date with reference to which the price has been arrived at:**

February 15, 2022

**(ix) Amount which the Company intends to raise by way of such securities:**

INR 175,00,00,000/- (Rupees One Hundred and Seventy Five Crore)

**(x) Material terms of raising such securities:**

**Duration:** The CCPS shall automatically convert into equity shares of the Issuer, based upon the Conversion Price, on the date falling at the expiry of 21 months from the Deemed Date of Allotment. Without prejudice to the aforesaid, the CCPS holders will have the option to require conversion of the CCPS in advance of the mandatory conversion date on the occurrence of certain identified events which have been set out in the transaction documents executed in relation to the issue.

**Conversion Price:** The Conversion Ratio applicable to the CCPS shall, subject to any adjustments being made thereto shall be determined based on the transaction documents which shall be executed in relation to the issue;

**Mode of payment:** ECS / RTGS / NEFT / Cheque

**(xi) Proposed time schedule:**

Within 60 (sixty) days from the date of this offer letter.

**(xii) Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects:**

No contribution being made by the promoters or directors neither as part of the offer nor separately in furtherance of objects.

**(xiii) Principle terms of assets charged as securities:**

NA

**(xiv) The class or classes of persons to whom the allotment is proposed to be made:**

Allotment to specific Identified Investors, viz, Body corporate.

**(xv) Intention of promoters, directors or key managerial personnels to subscribe to the offer:**

None of the promoters, directors or key managerial personnels of the Company intend to subscribe to the proposed issue.

**(xvi) The proposed time within which the allotment shall be completed:**

Within [2] days from the receipt of Application Money.

**(xvii) The name of the proposed allottees and the percentage of post preferential offer capital that may be held by them:**

Not applicable

**(xviii) The change in control, if any, in the company that would occur consequent to the preferential offer;**

No change in control.

**(xix) The number of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:**

No securities has been allotted during the year.

**(xx) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

Consideration in cash only.

**(xxi) The pre issue and post issue shareholding pattern of the Company in the following format:**

Sr No	Category	Pre-issue		Post-issue	
		No of shares held	% of share holding	No of shares held	% of share holding
A	Promoters' holding				
1	Indian				



Sr No	Category	Pre-issue		Post-issue	
	Individual	--	-	-	-
	Bodies corporate	4,12,35,920	34.31	4,12,35,920	34.31
	Sub-total	4,12,35,920	34.31	4,12,35,920	34.31
2	Foreign promoters	-	-	-	-
	sub-total (A)	4,12,35,920	34.31	4,12,35,920	34.31
B	Non-promoters' holding	-	-	-	-
1	Institutional investors	6,38,44,777	53.13	6,38,44,777	53.13
2	Non-institution	-	-	-	-
	Private corporate bodies	19,79,839	1.65	19,79,839	1.65
	Directors and relatives	12,102	0.01	12,102	0.01
	Indian public	69,76,505	5.81	69,76,505	5.81
	others (including NRIs)	61,28,160	5.09	61,28,160	5.09
	Sub-total (B)	7,89,41,383	65.69	7,89,41,383	65.69

Sr No	Category	Pre-issue		Post-issue	
	Grand Total	12,01,77,303	100	12,01,77,303	100

As required by Section 102(3) of the Companies Act, 2013, the documents with regard to the preferential issue shall be available for inspection at the Registered Office of the Company during business hours from 9:30 A.M. to 6:30 P.M.

The Board of Directors of the Company believes that the proposed private placement issue is in the best interest of the Company and its members. The Board of Directors, therefore, recommends the resolution for your approval by way of a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or the relatives thereof is concerned or interested in the aforesaid resolution.

**By order of the Board of Directors**

**Anirudh Singh G Thakur**  
**Head- Legal, Compliance & Company Secretary**

**Date: March 24, 2022**

**Place: Kolkata**