

NOTICE

Notice is hereby given that the 31st Annual General Meeting (AGM) of the members of Arohan Financial Services Limited ("Arohan" or "the Company") will be held on Thursday, **August 11, 2022** at 2:00 p.m. through **Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM')** facility to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company together with the report of the Auditors' and Board of Directors report thereon for the Financial Year ended March 31, 2022.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Financial Statements comprising Statement of Profit & Loss of the Company for the financial year ended March 31, 2022, the Balance Sheet as at that date and Cash Flow Statement for the financial year ended March 31, 2022 together with the Notes as annexed thereto and the Auditors' Report dated May 11, 2022 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. Re-appointment of a Director

To re-appoint a Director in place of Mr. Vineet Chandra Rai (DIN: 00506290) who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152, Articles of Association of the Company 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. Vineet Chandra Rai (DIN: 00606290) as a director, to the extent that he is require to retire by rotation.”

3. Ratification of the appointment of MSKA & Associates, Chartered Accountants, (Firm Registration No. 105047W), as Statutory Auditor of the Company

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Company hereby ratifies the appointment of MSKA & Associates, Chartered Accountants, (Firm Registration No. 105047W), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Annual General Meeting to be held for the Financial Year 2023-24 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”.

“RESOLVED FURTHER THAT any Director or Chief Financial Officer or Company Secretary of the Company be and is/are hereby severally authorized to file necessary e-forms, papers with the statutory authorities including the Registrar of Companies as may be required under the applicable law to give effect the above said resolution.”

SPECIAL BUSINESS:

4. Appointment of Mr. David Arturo Paradiso (DIN 08181832) as Nominee Director of the Company as representative of Maj Invest Financial Inclusion Fund II K/S.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to provisions of Sections 152, 161 read with Rule 8, 9 and 14 of the Companies (Appointment and Qualifications of Directors) Rules , 2014 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder (including any statutory modification (s) or reenactment thereof for the time being in force), the Articles of Association of the Company, the consent of the shareholders be and is hereby accorded to appoint Mr. David Arturo Paradiso (DIN: 08181832), representative of Maj Invest Financial Inclusion Fund II K/S as a Nominee Director of the Company.”

“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 appointment.”

5. Increase in borrowing power of the Company

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

“RESOLVED THAT in supersession of the earlier resolution passed by the Members in their meeting held on August 05, 2021, and pursuant to Section 180(1)(c) of the Companies Act, 2013 the consent of the shareholders be and is hereby accorded 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(Seven Thousand Five Hundred Crores only).

“RESOLVED FURTHER THAT the Managing Director, the Chief Financial Officer, the 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.”

6. Creation of charge and to provide security

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

“RESOLVED THAT in supersession of the earlier resolution passed by the Members in their meeting held on August 05, 2021, and pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, the consent of the shareholders be and is hereby accorded to pledge, mortgage and/or create 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 properties of the Company does not exceed INR 7500 Crore (Seven Thousand Five Hundred Crores only) at any time.”

“RESOLVED FURTHER THAT the Managing Director, the Chief Financial Officer, the Company Secretary or any other person as may be authorised by the Board or by the Banking and Debt Committee 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.”

7. To Issue Non-Convertible Debentures

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 71 and 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 make 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, 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.”

8. Payment of commission to the Independent Directors of the Company

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

“RESOLVED THAT pursuant to provisions of Section 197 & 198 and other applicable provisions, if any of the Companies Act, 2013 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications, enactment or re-enactment thereof for the time being in force) and based on the recommendation made by Nomination & Remuneration Committee and approval of the Board, the approval of the shareholders be and is hereby accorded to pay commission to the Independent Directors for the Financial Year 2021-22 within the overall limit as per the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Managing Director, the Chief Financial Officer and the Company Secretary be and are hereby severally authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

9. Amendment in the 'AROHAN EMPLOYEE STOCK OPTION PLAN 2010' ("ESOP 2010" / "PLAN")

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 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 12(5) of the Companies (Share Capital and Debentures) Rules, 2014, the Memorandum and Articles of Association of the Company, and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, pursuant to the approval of Nomination and Remuneration Committee ("Committee") of the Board of Directors of the Company, the consent of the members be and is hereby accorded to the amended the present clause 10.2 (a) of 'Arohan Employee Stock Option Plan 2010' ("ESOP 2010" / "Plan") with the changes as given below, apart from few changes with a view to ensure better efficacy and administration the Plan.

While in employment/ service

The Vested Options can be exercised by an Option Grantee at any time after Listing but within a maximum period of 10 (Ten) years from the date of Vesting. The Nomination and Remuneration Committee may at its discretion prescribe a shorter period than maximum of 10 (Ten) years for any specific Grant."

"RESOLVED FURTHER THAT the Managing Director, the Chief Financial Officer and the Company Secretary, the authorised representatives of the Company be and are hereby severally authorised 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 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 or caused to be 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 or caused to be 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 and as may be necessary, desirable and expedient for approval of ESOP Plan 2010.”

10. Amendment in the “AROHAN EMPLOYEE STOCK OPTION PLAN 2018’ (“ESOP 2018”/ “PLAN”)

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 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 12(5) of the Companies (Share Capital and Debentures) Rules, 2014, the Memorandum and Articles of Association of the Company, and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, pursuant to the approval of Nomination and Remuneration Committee (“Committee”) of the Board of Directors of the Company, the consent of the

members be and is hereby accorded to the amend the present clause 8.2 (a) of 'Arohan Employee Stock Option Plan 2018' ("ESOP 2018"/ "Plan") with the changes as given below, apart from few changes with a view to ensure better efficacy and administration the Plan.

While in employment/ service

The Exercise Period in respect of a Vested Option can be exercised by Option Grantee at any time, after the listing of Company's shares but within a maximum period of 10 (Ten) years from the date of Vesting."

"RESOLVED FURTHER THAT the Managing Director, the Chief Financial Officer and the Company Secretary, the authorised representatives of the Company be and are hereby severally authorised 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 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 or caused to be 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 or caused to be 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 and as may be necessary, desirable and expedient for approval of ESOP 2018."

**11. Amendment in the “AROHAN EMPLOYEE STOCK OPTION PLAN 2021’
 (“ESOP 2021”/ “PLAN”)**

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 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 12(5) of the Companies (Share Capital and Debentures) Rules, 2014, the Memorandum and Articles of Association of the Company, and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, pursuant to the approval of Nomination and Remuneration Committee (“Committee”) of the Board of Directors of the Company, the consent of the members be and is hereby accorded to the amended the present clause 8.2 (a) of ‘Arohan Employee Stock Option Plan 2021’ (“ESOP 2021”/ “Plan”) with the changes as given below, apart from few changes with a view to ensure better efficacy and administration the Plan.

While in employment/ service

The Exercise Period in respect of a Vested Option can be exercised by Option Grantee at any time, after the listing of Company’s shares but within a maximum period of 10 (Ten) years from the date of Vesting.”

“RESOLVED FURTHER THAT the Managing Director, the Chief Financial Officer and the Company Secretary, the authorised representatives of the Company be and are hereby severally authorised 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 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 or caused to be 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 or caused to be 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 and as may be necessary, desirable and expedient for approval of ESOP 2021.”

12. Issue of shares w.r.t Arohan Employee Stock Option Plan 2021

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

“RESOLVED THAT pursuant to Section 62 (1) (b) and all other applicable provisions, if any, of the Companies Act 2013, read with Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014, the Memorandum of Association and Articles of Association of the Company, approval of the shareholders be and is hereby accorded to issue 10,00,000 equity shares of face value of INR 10 each fully paid up, under the ‘**Arohan Employee Stock Option Plan 2021**’ (“**ESOP 2021**”).”

“RESOLVED FURTHER THAT pursuant to Section 62(1)(b) and all other applicable provisions of the Companies Act, 2013, Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, the Memorandum of Association and Articles of Association of the Company, approval of the

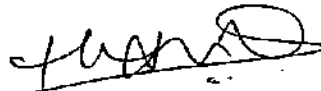
shareholders be and is hereby accorded to create, offer and grant up to 10,00,000 equity shares (Ten Lakhs) Employee Stock Options to the eligible employees and Directors of the Company, as determined in terms of ESOP 2021, in one or more tranches, from time to time, exercisable in aggregate into not more than 10,00,000 equity shares (Ten Lakhs) equity shares of face value of Rs.10/- each fully paid up to be transferred to the option grantees by the Arohan ESOP Trust ("Trust") at INR 153.94 per share and on such terms and conditions as may be determined in accordance with the provisions of the applicable laws and the provisions of ESOP 2021."

"RESOLVED FURTHER THAT the Company be and is hereby authorized to provide loan to M/s Arohan ESOP Trust for purchasing the 10,00,000 Equity Shares at an agreed price as given above and such loan provided by the Company shall be repayable to and recoverable by the Company from time to time during the term of the ESOP 2021 subject to exercise price being paid by the employees on exercise of Employee Stock Options under the ESOP 2021".

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, any Director, CFO and Company Secretary be and are hereby severally 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 or caused to be 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 or caused to be 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.”

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



ANIRUDH SINGH G THAKUR

Head-Compliance, Legal & Company Secretary

Date: May 11, 2022

Place: Kolkata

NOTES

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021 21/2021 and 02/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021 December 14, 2021 and May 5, 2022 respectively ("MCA Circulars") and SEBI circulars, 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 Thirty First 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 AT THE E-AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON THEIR BEHALF 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, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS e-AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**

4. Members attending the AGM through VC / OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
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-AGM on its behalf and to vote in the e-AGM.
6. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act'), which sets out details relating to Special Business at the meeting, is attached with this Notice of AGM.
7. The facility of joining the e-AGM through VC / OAVM will be opened 30 minutes before and will be open up to 15 minutes after the scheduled start time of the e-AGM, i.e. from 1:30 p.m. to 2:15 p.m.
8. In terms of Section 152 of the Act, Mr. Vineet Chandra Rai (DIN: 00606290), Director, retire by rotation at the AGM and being eligible, offers himself for reappointment. The Nomination and Remuneration Committee and the Board of Directors of the Company recommended his re-appointment.
9. Details of Director seeking appointment / reappointment in AGM pursuant to Secretarial Standard on General Meetings (SS-2) is Annexed to this Notice of AGM.
10. In compliance with MCA Circular No. 20/2020 dated May 5, 2020 read with Circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 14, 2021 and 5 May 2022 and SEBI Circular No.

SEBI/HO/CFD/CMD 1/ CIR/P/2020/79 dated 12 May 2020 and SEBI/HO/CFD/ CMD2/CIR/P/2021/11 dated 15 January 2021 and SEBI/ HO/CFD/CMD2/CIR/P/2022/62 dated 13 May 2022 owing to the difficulties involved in dispatching of physical copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as the Annual Report), the Annual Report for Financial year ended March 31, 2022 and Notice of the AGM are being sent in electronic mode to the Members whose e-mail address is registered with the Company or the Depository Participant(s). Notice calling the e-AGM and Annual Report has been uploaded on the website of the Company at www.arohan.in. The Notice can also be accessed from the website of the Stock Exchanges Annual Report 2021-22 i.e. BSE Limited at <https://www.bseindia.com>.

11. 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
12. 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.

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. 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.

15. 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 08, 2022 (10:00 a.m.) to August 10, 2022 (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.
16. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, August 4, 2022 to Thursday, August 11, 2022 (both days inclusive) for the purpose of 31st Annual General Meeting ('AGM').

17. In conformity with the applicable regulatory requirements, the Notice of this AGM and the Report and Accounts 2022 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories.
18. 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 Thirty First e-AGM can contact the Company Secretary/Secretarial Department at +91 9883733233/8981444132/9038329510.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4: Appointment of Mr. David Arturo Paradiso (DIN 08181832) as Nominee Director of the Company**

In terms of clause 17.2.1 of the Article of Association of the Company and Section 161 of the Companies Act, 2013, the Investors may nominate their representative on the Board of the Company. Further, the Board was informed that the Institutional Investor, Maj Invest Financial Inclusion Fund II K/S via mail dated May 4, 2022 have proposed to appoint Mr. David Arturo Paradiso (DIN: 08181832) as its Nominee Director. The said appointment was recommended by the Nomination and Remuneration Committee and approved by the Board of Directors in their meeting dated May 11, 2022 and thereafter Mr. David Arturo Paradiso was appointed as an Additional Director w.e.f., May 11, 2022. Further, Mr. David Arturo Paradiso confirmed that he is not disqualified to act as a Director in terms of Section 164 of the Act and he is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority and he is in compliance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Given his expertise, knowledge and experience, the Board is of the opinion that it would be in the interest of the Company to avail his services as a Nominee Director of the Company.

Details of Mr. David Arturo Paradiso pursuant to the provisions Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India are provided in the 'Annexure' to the Notice.

Mr. David Arturo Paradiso is interested in resolution set out at Item No. 4 of the Notice with regard to his appointment. The relatives of Mr. David Arturo Paradiso may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company. Mr. David Arturo Paradiso is not

related to any Director of the Company save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors of the Company recommends the resolution set out at Item No. 4 for approval of the Members as an Ordinary Resolution.

Item No. 5 & 6 Increase in borrowing power of the Company and Creation of charge and to provide 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. 5 & 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 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. 7 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 resolution set out in item no. 7 of the Notice for your approval as a Special Resolution

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

Item no. 8 Payment of Commission to Directors

As per the terms of the applicable provisions of the Companies Act, 2013 and its applicable rules and the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee in their meeting dated May 11, 2022, the Board proposed to pay commission to independent directors of the Company based on the significant services provided to the Company. The summary of proposed commission to the Independent Directors were as follows:

Sr. No	Name of Directors	Amount of Commission (INR lacs)
1	Mr. Dinesh Kumar Mittal	25
2	Mr. Rajat Mohan Nag	10
3	Ms. Matangi Gowrishankar	15
4	Mr. Sumantra Banerjee	10

The Board recommends the resolution set out in item no. 8 of the Notice for your approval as a Special Resolution

Except the Independent Directors of the Company, none of the directors or managers of KMP of the Company or the relatives thereof are interested in this resolution.

Item no. 9, 10, 11 Amendment in the 'Arohan Employee Stock Option Plan 2010' ("ESOP 2010"/ "Plan"), Arohan Employee Stock Option Plan 2018' ("ESOP 2018"/ "Plan" and Arohan Employee Stock Option Plan 2021'

The Company had implemented the Arohan Employee Stock Option Plan 2010 ("ESOP 2010"/ "Plan"), Arohan Employee Stock Option Plan 2018' ("ESOP 2018"/ "Plan"), and Arohan Employee Stock Option Plan 2021' ("ESOP 2021"/ "Plan"), with a view to attract, retain, incentivize and motivate employees of the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. The Plan was originally approved vide shareholder' resolution dated March 15, 2010, May 15, 2018 and February 04, 2021 in due compliance of the provisions of the Companies Act, 1956/ 2013. Considering the delay in listing of the Company's equity shares, it has been proposed to amended the Exercise Period of the above Plans. The changes have been proposed to protect the interest of the Options holders of all the above Plans.

None of the aforesaid proposed amendments is detrimental to the interests of any existing option grantees as the amendments are intended to be prospective. Certain amendments (irrespective of beneficial or detrimental) may be retrospective to the extent required under applicable laws. The beneficiaries of such variation shall the option grantees under the Plan.

Subject to shareholder's approval, the Nomination and Remuneration Committee and Board of Directors of the Company have respectively approved the aforesaid proposed amendments vide their resolution dated May 11, 2022. Given the details of amendments, rationale thereof and beneficiaries of such variation, as per rule 12(5) of the Companies Act, 2013, your approval is sought in lines stated above.

Features of the amended Plan are given as under:

The exercise period and the period of exercise:

For ESOP 2010:

Clause 10.2 (a) of 'Arohan Employee Stock Option Plan 2010' ("ESOP 2010"/ "Plan") to be amended as follows:

While in employment/ service

The Vested Options can be exercised by an Option Grantee at any time after Listing but within a maximum period of 10 (Ten) years from the date of Vesting. The Nomination and Remuneration Committee may at its discretion prescribe a shorter period than maximum of 10 (Ten) years for any specific Grant.

For ESOP 2018:

Clause 8.2 (a) of 'Arohan Employee Stock Option Plan 2018' ("ESOP 2018"/ "Plan") to be amended as follows:

While in employment/ service

The Exercise Period in respect of a Vested Option can be exercised by Option Grantee at any time, after the listing of Company's shares but within a maximum period of 10 (Ten) years from the date of Vesting.

For ESOP 2021:

Clause 8.2 (a) of 'Arohan Employee Stock Option Plan 2021' ("ESOP 2021"/ "Plan") to be amended as follows:

While in employment/ service

The Exercise Period in respect of a Vested Option can be exercised by Option Grantee at any time, after the listing of Company's shares but within a maximum period of 10 (Ten) years from the date of Vesting.

The Board recommends the resolutions set out in item no. 9, 10, 11 of the Notice for your approval as special resolution.

[Except the Managing Director/KMPs, to the extent of the securities that may be offered to them under various Employee Stock Option Plans, none of the Directors of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution.]

Item no. 12 Issue of shares w.r.t Arohan Employee Stock Option Plan 2021

The Board on recommendation by Nomination and Remuneration Committee in its meeting dated May 11, 2022 approved to issue 10,00,000 shares under the Arohan Employee Stock Option Plan 2021 ("ESOP 2021") to implement an employee stock option plan with a view to reward the key employees for their association, dedication and contribution to the goals of the Company. It was also intended to use this plan to attract, retain and motivate key talents working with the Company, by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability; and thereby increasing the shareholders' value.

Disclosure as per Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014:

Sl. No.	Particulars	Remarks
a.	the total number of stock options to be granted	10,00,000 stock options
b.	identification of classes of employees entitled to participate in the Employees Stock Option Scheme	All permanent employees from the level of AGM and above of the Company shall be eligible subject to determination and selection by the NRC and Board.
c.	The appraisal process for determining the eligibility of employees to the Employees Stock Option Scheme	The options shall be granted to the employees as per the performance appraisal system of the Company.
d.	the requirements of vesting and period of vesting	The options granted shall vest so long as the employee continues to be in the employment of the Company. The vesting of options granted under the Plan shall not vest earlier than minimum period of 1 year.
e.	the maximum period within which the options shall be vested	The options granted shall vest subject to maximum vesting period of 10 years.
f.	the exercise price or the formula for arriving at the same	INR 153.94 per share.
g.	the exercise period and process of exercise	Exercise period: The Exercise Period in respect of a Vested Option can be exercised by Option

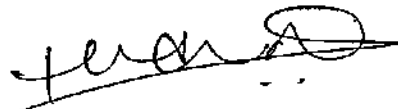
		Grantee at any time, after the listing of Company's shares but within a maximum period of 10 (Ten) years from the date of Vesting.
h.	the Lock-in period, if any	The options shall not be subject to any lock in period.
i.	the maximum number of options to be granted per employee and in aggregate	Number of options granted shall not exceed 10,00,000 in aggregate.
j.	the method which the company shall use to value its options;	The Company shall adopt fair value method for valuation of options.
k.	the conditions under which option vested in employees may lapse	In case of termination, retirement, resignation and in case vested options are not exercised within the prescribed exercise period.
l.	the specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee	In case of proposed termination/ resignation of an employee (except due to misconduct) all vested options as on the date of submission of resignation shall be exercisable by the Option Grantee within 30 days from last working day.
m.	a statement to the effect that the company shall comply with the applicable accounting standards	The Company shall comply with the disclosure and the accounting policies prescribed as per prevailing Accounting guidelines.

As the **ESOP 2021- Grant 2022** provides for issue of shares to be offered to eligible employees, consent of the members is being sought pursuant to Section 62(1) (b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 by way of a special resolution.

The Board recommends the resolutions set out in item no. 12 of the Notice for your approval.

[Except the Managing Director/KMPs, to the extent of the securities that may be offered to them under the **ESOP 2021-Grant 2022** set out at Item No. 12, none of the Directors of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution]

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



Date: May 11, 2022

ANIRUDH SINGH G THAKUR

Place: Kolkata

Head-Compliance, Legal & Company Secretary

ANNEXURE TO THE NOTICE

BREIF PROFILE OF DIRECTOR SEEKING APPOINTMENT /RE-APPOINTMENT AT 31ST ANNUAL GENERAL MEETING IN PURSUANCE OF PROVISIONS OF THE COMPANIES ACT, 2013, AND SECRETARIAL STANDARD-2 ON GENERAL MEETINGS]

Name of the Director	Mr. David Arturo Paradiso	Mr. Vineet Chandra Rai
Category & Designation	Non-Executive Additional Director	Non-Executive Nominee Director
Director Identification Number	08181832	00606290
Date of Birth (Age)	December 27, 1982 39 years	June 17, 1971 , 51 Years
Date of appointment on the Board	May 11, 2022	October 24, 2013
Educational Qualification	He holds an MBA focused on Finance, International Business and private Equity/Venture Capital from Brigham Young University (US) and Strategic Leader on Inclusive Finance from Harvard University.	He holds a Post-Graduate Diploma in Forestry Management from the Indian Institute of Forest Management, Bhopal.
Experience & Expertise	He has more than 15 years of international experience managing finance operations, private equity and venture capital in the US, Asia and Latin America.	Vineet Chandra Rai is a Non-Executive Nominee Director of our Company. He was nominated to our Board of Directors by AVMS. He has been a Director since October 24, 2013. He has approximately 17 years of experience in building

	<p>He has been with the Maj Invest group, since 2015 and is the Partner, Financial Inclusion, at Maj Invest Equity International focusing on Asia and Africa.</p>	<p>sustainable enterprises and impact investment. He is the Founder of Aavishkaar– Intellecap group and he also serves as a Commissioner at the Global Commission of Business and Sustainable Development launched at Davos 2016 and as an advisor to The United Nations Economic and Social Commission for Asia and the Pacific Science Technology and Innovation Advisory Board. He has received numerous awards including the G 20 – SME Innovation in Finance Award in Seoul, South Korea, UNDP-IBLF-ICC World Business Award in New York and Lemelson Award for Social Venture Investing. Under his leadership, the group has received the prestigious Porter Prize 2016 for “Enabling Social Progress”.</p>
<p>Directorships held in other companies</p>	<ol style="list-style-type: none"> 1. Belstar Microfinance Limited 2. Mjic Consultancy Private Limited 3. Sub K Impact Solution Limited 4. Epimoney Private Limited 	<ol style="list-style-type: none"> 1. Milk Mantra Dairy Private Limited 2. Ulink Agritech Private Limited 3. Ashv Finance Limited (erstwhile known as Jain Sons Finlease Limited) 4. Connect India E-Commerce Services Private Limited 5. Intellecap Advisory Services Private Limited 6. Aavishkar Venture Management Services Pvt. Ltd. 7. Intellectual Capital Advisory Services Pvt. Ltd. 8. Tribetech Pvt. Ltd. 9. Aavishkaar Advisors Private Limited 10. Aavishkaar Venture Trustees Pvt.

		Ltd.					
Memberships/ Chairmanships of Committees across companies	Name of the Compa ny	Name of Comm itees of which a Chair man	Name of Comm itees of which a Memb er	Name of the Compan y	Name of Committe es of which a Chairman	Name of Committees of which a Member	
		Sub-K Impact Solutio n Limite d	CSR	Audit, Risk	Arohan Financia l Services Limited	--	1. Nomination and Remunerat ion Committee 2. Share Transfer & Securities Allotment Committee
		Belstar Microfi nance Limite d	--	Audit, Risk	Ashv Finance Limited	--	Corporate Governance and Executive Committee
		Epimo ney Private Limite d	--	Audit, Risk, NRC			
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Nil			Nil			
Shareholding (%) in the Company	Nil			Nil			

Terms and Conditions of appointment / re-appointment	As per shareholders agreement dated March 27, 2017	As per shareholders agreement dated March 27, 2017
Name of the listed entities from which the director has resigned in the past three years	Nil	Nil

Registered Office:
Arohan Financial Services Limited,
PTI Building, 4th Floor, DP-9, Sector V,
Salt Lake, Kolkata 700 091

Date: May 11, 2022
Place: Kolkata