

NOTICE

Notice is hereby given that the 32nd Annual General Meeting (AGM) of the members of Arohan Financial Services Limited (*"Arohan"* or *"the Company"*) will be held on Monday, **August 7, 2023** at 03.00 p.m. through **Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM')** facility to transact the following businesses:

ORDINARY BUSINESS:

1. Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company together with the Reports of the Auditors and Board of Directors thereon for the Financial Year ended March 31, 2023.

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, 2023, the Balance Sheet as at that date and Cash Flow Statement for the financial year ended March 31, 2023 together with the Notes as annexed thereto and the Reports of the Auditors and the Board of Directors dated May 12, 2023 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 Mr. Anurag Agrawal (DIN: 02385780) 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 reappoint Mr. Anurag Agrawal (DIN: 02385780) as a director, liable to retire by rotation.”

SPECIAL BUSINESS:

3. Appointment of Mr. Stephen Dongwon Lee (DIN: 08640160), as a Nominee Director 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 161 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Rules framed thereunder, [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company, recommendation and approval of the Nomination and Remuneration Committee and that of the Board, Mr. Stephen Dongwon Lee (DIN: 08640160),_who was appointed as an Additional Director as a representative of Teachers Insurance And Annuity Association Of America in the capacity of a Nominee Director with effect from December 01, 2022, be and is hereby appointed 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.”

4. Appointment of Mr. Aditya Mohan (DIN:08299455), as a Nominee Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 161 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Rules framed thereunder, [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company, recommendation and approval of the Nomination and Remuneration Committee and that of the Board, Mr. Aditya Mohan (DIN-08299455), who was appointed as an Additional Director as a representative of Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO), in the capacity of an Nominee Director with effect from May 12, 2023, be and is hereby appointed 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. Appointment of Mr. Nitish Chawla (DIN: 07676758), as a Nominee Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 161 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Rules framed thereunder, [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company, recommendation and approval of the Nomination and Remuneration Committee and that of the Board, Mr. Nitish Chawla (DIN: 07676758), who was appointed as an Additional Director as a representative of Danish Sustainable Development Goals Investment Fund K/s, in the capacity of an Nominee Director with effect from May 31, 2023, be and is hereby appointed 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.”

6. 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 11, 2022, 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

money 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 10,000 Crores (Ten Thousand 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, West Bengal 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."

7. 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 11, 2022, 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 10000 Crores (Ten Thousand Crores only) at any time."

“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, West Bengal 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.”

8. 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 7,000 Crores (Seven 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.”

9. 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 2022-23 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.”

10. 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 resolutions 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 Articles of Association of the Company, approval of the shareholders be and is hereby accorded to issue 7,00,000 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 Articles of Association of the Company, approval of the shareholders be and is hereby accorded to create, offer and grant up to 7,00,000 equity shares (Seven 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 7,00,000 equity shares (Seven 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 124/- 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 7,00,000 Equity Shares of the Company 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**

Date: May 31, 2023

Place: Kolkata

ANIRUDH SINGH G THAKUR

Head-Compliance, Legal & Company Secretary

NOTES

1. The Ministry of Corporate Affairs ('MCA') has vide its General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021 21/2021, 02/2022 and 11/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, May 5, 2022 and December 28, 2022 respectively ("**MCA Circulars**") and SEBI circulars, has 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. **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 /SEBI 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.**
3. Members attending the AGM through VC / OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

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 pursuant to Section 113 of the Act to attend the e-AGM on its behalf and to vote in the e-AGM.
5. 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 e-AGM.
6. 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 02.30 p.m. to 03.15 p.m.
7. In terms of Section 152 of the Act, Mr. Anurag Agarwal (DIN: 02385780), 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.
8. Details of Director seeking appointment / reappointment in AGM pursuant to Secretarial Standard on General Meetings (SS-2) is Annexed to this Notice of e-AGM.
9. 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 and

SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 05 January 2023 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, 2023 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 under the section- Annual Report 2022-23 i.e. BSE Limited at <https://www.bseindia.com>.

10. 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
11. 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.
12. 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.

13. 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.

14. 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 4, 2023 (10:00 a.m.) to August 6, 2023 (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.
15. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, July 31, 2023 to Sunday, August 6, 2023 (both days inclusive) for the purpose of 32nd Annual General Meeting ('AGM').

16. In conformity with the applicable regulatory requirements, the Notice of this e-AGM and the Report and Accounts 2023 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories.
17. 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 allowed to use camera, if required , 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 Second 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. 3: Appointment of Mr. Stephen Dongwon Lee (DIN: 08640160), as a Nominee Director of the Company

Mr. Stephen Dongwon Lee, representative of Teachers Insurance And Annuity Association of America, was appointed as an Additional Director of the Company with effect from December 1, 2022, in accordance with the provisions of Section 161 and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder, [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company, recommendation and approval of the Nomination and Remuneration Committee and that of the Board.

Further, Mr. Stephen Dongwon Lee has 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 and he has given his consent to act as a Director.

Details of Mr. Stephen Dongwon Lee 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. Stephen Dongwon Lee is interested in resolution set out at Item No. 3 of the Notice with regard to his appointment. The relatives of Mr. Stephen

Dongwon Lee may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company. Mr. Stephen Dongwon Lee 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. 3 for approval of the Members as an Ordinary Resolution.

Item No. 4: Appointment of Mr. Aditya Mohan (DIN: 08299455), as a Nominee Director of the Company.

Mr. Aditya Mohan, representative of Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO), was appointed as an Additional Director of the Company with effect from May 12, 2023, in accordance with the provisions of Section 161 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Rules framed thereunder, [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company, recommendation and approval of the Nomination and Remuneration Committee and that of the Board.

Further, Mr. Aditya Mohan has 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 and he has given his consent to act as a Director.

Details of Mr. Aditya Mohan 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. Aditya Mohan is interested in resolution set out at Item No. 4 of the Notice with regard to his appointment. The relatives of Mr. Aditya Mohan may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company. Mr. Aditya Mohan 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: Appointment of Mr. Nitish Chawla (DIN: 07676758), as a Nominee Director of the Company.

Mr. Nitish Chawla, representative of Danish Sustainable Development Goals Investment Fund K/s, represented by Investment Fund for Developing Countries ("IFU") was appointed as an Additional Director of the Company with effect from May 31, 2023, in accordance with the provisions of Section 161 and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder, [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company, recommendation and approval of the Nomination and Remuneration Committee and that of the Board.

Further, Mr. Nitish Chawla has 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 and he has given his consent to act as a Director.

Details of Mr. Nitish Chawla 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. Nitish Chawla is interested in resolution set out at Item No. 5 of the Notice with regard to his appointment. The relatives of Mr. Nitish Chawla may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company. Mr. Nitish Chawla 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. 5 for approval of the Members as an Ordinary Resolution.

Item No. 6 & 7 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 10000 Crores (Rupees Ten Thousand Crores 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. 6 & 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 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. 8 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. 8 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. 9 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 12, 2023, 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 (in INR)
1	Mr. Dinesh Kumar Mittal	25,00,000/-
2	Mr. Rajat Mohan Nag	12,50,000/-
3	Ms. Matangi Gowrishankar	12,50,000/-
4	Mr. Sumantra Banerjee	12,50,000/-

The Board recommends the resolution set out in item no. 9 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. 10 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 12, 2023 approved the issuance of 7,00,000 equity 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	7,00,000 stock options
b.	identification of classes of employees entitled to participate in the Employees Stock Option Scheme	All permanent employees from the level of Manager 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	As per the Vesting schedule specified in the Grant Letter.
f.	the exercise price or the formula for arriving at the same	INR 124/- 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 7,00,000 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 2023** 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. 10 of the Notice for your approval as a Special Resolution

[Except the Managing Director/KMPs, to the extent of the securities that may be offered to them under the **ESOP 2021-Grant 2023** set out at Item No. 10, 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 31, 2023

ANIRUDH SINGH G THAKUR

Place: Kolkata

Head-Compliance, Legal & Company Secretary

ANNEXURE TO THE NOTICE

BREIF PROFILE OF DIRECTOR SEEKING APPOINTMENT /RE-APPOINTMENT AT 32ND ANNUAL GENERAL MEETING IN PURSUANCE OF PROVISIONS OF THE COMPANIES ACT, 2013, AND SECRETARIAL STANDARD-2 ON GENERAL MEETINGS

Name of the Director	Mr. Anurag Agrawal	Mr. Stephen Dongwon Lee
Category & Designation	Non-Executive Nominee Director	Additional Director
Director Identification Number	02385780	08640160
Date of Birth (Age)	February 12, 1978	April 26, 1979
Date of appointment on the Board	03/10/2012	01/12/2022
Educational Qualification	Bachelor's degree in Business Administration and a Master's degree in Commerce from the University of Madras, Chennai, MBA in Finance from TA Pai Management Institute, Manipal and Intermediate level program in "Banking and Finance" from the Institute of Financial Management & Research (IFMR), Chennai	BA in Economic (2001); MBA (2010) and Master of Science in Foreign Service (2010).

Experience Expertise	&	<p>Anurag Agrawal is a Non-Executive Nominee Director of Arohan. He has been a Director since October 3, 2012. He holds a bachelor's degree in business administration and a master's degree in commerce from the University of Madras, Chennai and a post graduate diploma in management from T.A. Pai Management Institute, Manipal. He is also the Chief Operating Officer of one of our Promoters, Aavishkaar Venture Management Services Private Limited. Previously, he has worked with ICICI Bank Limited.</p>	<p>Stephen Dongwon Lee is a Non-Executive Nominee Director of the Company. He was nominated to our Board of Directors by Teachers Insurance And Annuity Association Of America. Stephen is a director on the Private Equity Impact Team at Nuveen. Prior to joining the firm in 2014, Stephen worked as director of access to finance for Building Markets, a social enterprise based in New York that supports local businesses in post-conflict and developing countries. He has also held various positions at J.P. Morgan, Accenture and ATX Communications. Stephen graduated with a B.A. in Economics from the University of Pennsylvania, an M.B.A. from Georgetown University's McDonough School of Business and an M.S. in Foreign Service with a concentration in International Development from Georgetown University's</p>
-------------------------	---	---	--

		Edmund A. Walsh School of Foreign Service. He is also a former Fulbright Scholar in Egypt.				
Directorships held in other companies and excluding foreign companies as of the date of this Notice.	i. Ashv Finance Limited ii. Electronic Payment and Services Private Limited iii. Aavishkaar Venture Management Services Private Limited iv. Aavishkaar Advisors Private Limited v. Nepra Resource Management Private Limited			i. Kinara Capital Private Limited (Formerly Known as Visage Holdings And Finance Private Limited) ii. Aviom India Housing Finance Private Limited iii. Aavishkaar Venture Management Services Private Limited		
Memberships/ Chairmanships of Committees across companies	Name of the Company	Name of Committees of which a Chairman	Name of Committees of which a Member	Name of the Company	Name of Committees of which a Chairman	Name of Committees of which a Member
	Ashv Finance Limited		1. Corporate Governance and Executive Committee 2. Nomination and Remuneration Committee 3. Risk Committee 4. Stakeholders	i. Kinara Capital Private Limited (Formerly Known as Visage Holdings And Finance Private Limited)		1. IT Strategy Committee 2. Audit Committee

			Relationship Committee	
	Aavishkaar Venture Management Services Private Limited		1. Audit and Risk Committee 2. Corporate Social Responsibility Committee	
	Electronic Payment and Service Limited	Compensation Sub Committee	1. Audit and Risk Committee 2. Finance Board Sub Committee 3. Business & Operations Committee	
	Nepra Resources Management Private Limited		HR and Compensation Committee	
Relationship with other Directors, Manager and other	Nil			Nil

Key Managerial Personnel of the Company		
Shareholding (%) in the Company	Nil	Nil
Remuneration last drawn (FY 22-23)	NA	NA
Terms and Conditions of appointment / re-appointment	As per shareholders agreement dated March 27, 2017	As per Amended and restated shareholders agreement dated November 29, 2022
Number of Board meeting attended during the year	10/10	2/3
Name of the listed entities from which the director has resigned in the past three years	Nil	Nil

Name of the Director	Mr. Aditya Mohan	Mr. Nitish Chawla
Category & Designation	Additional Director	Additional Director
Director Identification Number	08299455	07676758
Date of Birth (Age)	October 12, 1984	25 May, 1989
Date of appointment on the Board	12/05/2023	31/05/2023
Educational Qualification	Master of Business Administration, Erasmus University, Rotterdam	PGDM, B.E. (Computer Science), CFA
Experience & Expertise	<p>a) Product Manager, Ujjvan Financial Services (2009-12)</p> <p>b) Investment Officer, Blue Orchard Finance SA(2014-16)</p> <p>c) Sr. Investment Manager, Triodos Investment Management BV (2016-22)</p> <p>d) Investment officer, FMO (2022-Present)</p>	<p>PGDM with a specialization in finance.</p> <p>Cleared all 3 levels of CFA US examination</p> <p>Senior Investment Manager in the Financial Services team at Investment Fund for Developing Countries (IFU). Led the investment in Arohan from IFU's end</p>
Directorships held in other companies and excluding foreign companies as of the date of this Notice.	<p>i. Aavishkaar Venture Management Services Private Limited</p> <p>ii. Intellectual Capital Advisory Services Private Limited</p>	Nil

Memberships/ Chairmanships of Committees across companies	Nil	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Nil	Nil
Shareholding (%) in the Company	Nil	Nil
Remuneration last drawn (FY 22-23)	NA	NA
Terms and Conditions of appointment / re-appointment	As per Amended and Restated shareholders agreement dated February 07, 2023 and March 28, 2023	As per shareholders agreement dated May 02, 2023
Number of Board meeting attended during the year	NA	NA
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 31, 2023

Place: Kolkata