

## **NOTICE OF FOURTH ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the Fourth Annual General Meeting (“AGM”) of the Members of Pragati Finserv Private Limited (the “Company”) will be held on **Monday, August 18, 2025, at 03.00 P.M** at the Registered office of the Company at 8-2-624/A/1, 4<sup>th</sup> Floor, Meena Bazaar Towers, Road No. 10, Avenue 4, Banjara Hills, Hyderabad – 500 034 to transact the following businesses:

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### **ORDINARY BUSINESS:**

**ITEM No. 1: To receive, consider and adopt the audited financial statements of the company for the financial year ended March 31, 2025, and the Reports of the Board of Directors and Auditors thereon.**

To consider and if thought fit, to pass the following resolution, as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 129, 134 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the audited financial statements of the Company for the financial year ended March 31, 2025 including the Balance Sheet as on that date, Statement of Profit and Loss and Cash Flow for the financial year ended March 31, 2025 and the report of the Auditors and the Board of Directors thereon, as circulated to the Members and laid before the Meeting, be and are hereby received, considered and adopted.”

**ITEM 2: To appoint a director in place of Mr. Ashish Mehrotra (DIN: 7277318), who retires by rotation and being eligible, offers himself for re-appointment**

To consider and if thought fit, to pass the following resolution, as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the provisions of the Articles of Association of the Company, Mr. Ashish Mehrotra (DIN: 7277318), Director who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation.”

### **SPECIAL BUSINESS:**

**ITEM 3: To approve the revised remuneration payable to Mr. Jagadish Babu Ramadugu, Managing Director & CEO of the Company**

To consider and if thought fit, to pass the following resolution, as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions, if any of the Companies Act, 2013 (“Act”), the Companies (Appointment and Remuneration of Managerial Personnel ) Rules, 2014, read with Schedule V to the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the provisions of the Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded for the payment of revised remuneration to Mr. Jagadish Babu Ramadugu (DIN: 01855121), Managing Director and CEO with effect from April 1, 2025 as detailed below:

**(i.) Fixed Pay** - Annual Fixed Salary of INR 1,84,80,000/- (Rupees One Crore Eighty-Four Lakhs Eighty Thousand only)

*[10% increase from the existing Fixed compensation of INR 1,68,00,000/-]*

**(ii.) Variable Pay** – INR 93,00,000/- (Rupees Ninety-Three Lakhs only)

*[80% of the variable pay will be payable in the current financial year and balance 20% will be deferred and payable in the next financial year.]*

**(iii.) Deferred Variable Pay** – Payment of balance 20% variable pay of previous year(s) amounting to INR 60,00,000/- (Rupees Sixty Lakhs only)

**RESOLVED FURTHER THAT** consent of Members of the Company, be and is hereby accorded for the payment of said remuneration to Mr. Jagadish Babu Ramadugu (DIN: 01855121), in excess of prescribed limit of 5% and 11% of the net profits of the Company computed in accordance with Section 198 of the Act read with Schedule V of the Companies Act, 2013 in any financial year(s), during his remaining tenure as Managing Director & CEO of the Company.

**RESOLVED FURTHER THAT** each of Directors and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required to give effect to this resolution, including making necessary filing with Registrar of Companies in this regard.”

**For Pragati Finserv Private Limited**

**Sd/-  
Srikrishna R  
Company Secretary**

**Place:** Hyderabad

**Date:** 25-07-2025

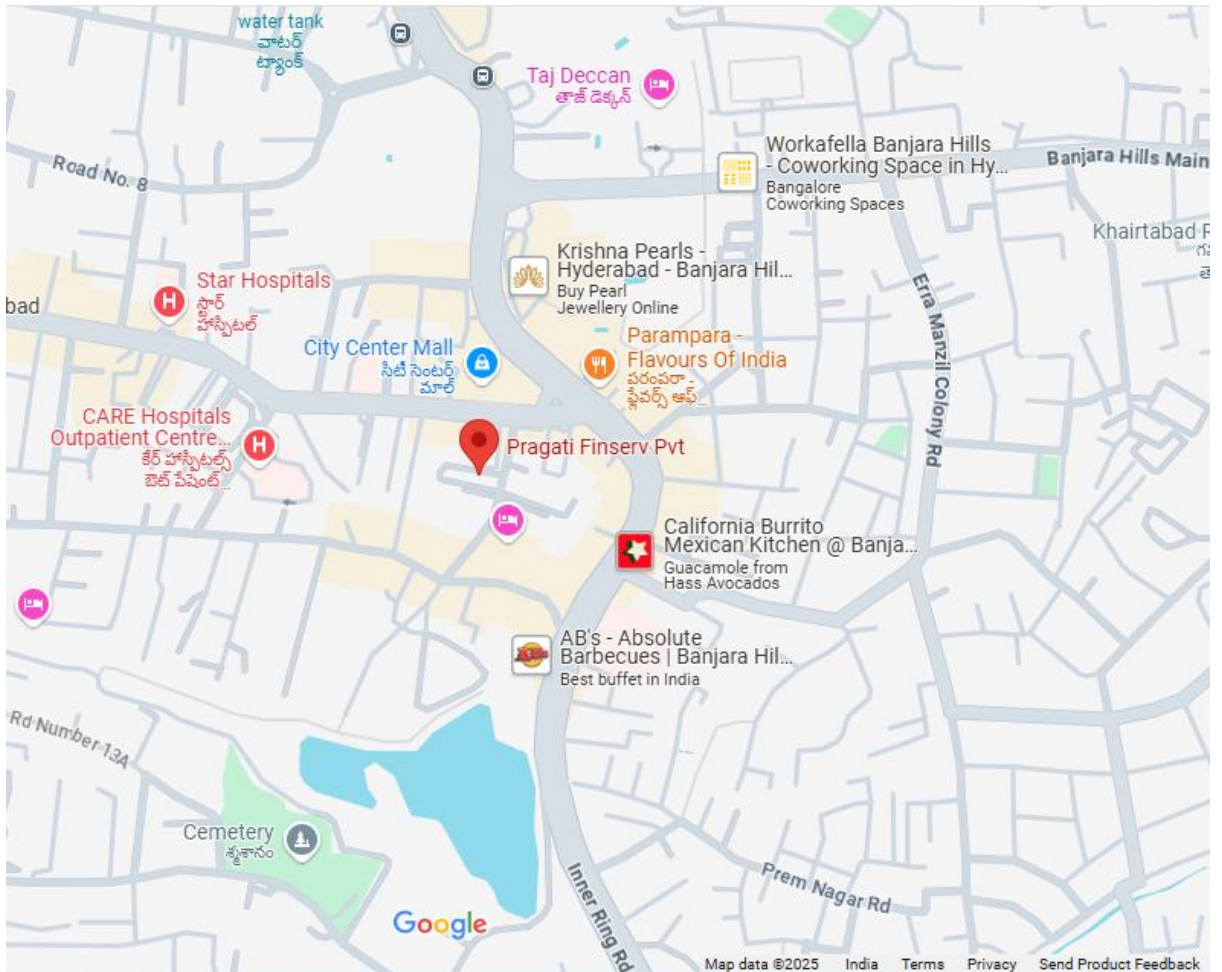
**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

A proxy form, duly completed and stamped, must reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

2. Attendance slips and proxy form are annexed hereto.
3. Corporate Members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing such representative to attend and vote on their behalf at the meeting.
4. All the relevant documents referred in this Notice shall remain open for inspection by the Members of the Company at the Registered Office from 10:00 AM to 6:00 PM on all working days upto the date of this Annual General Meeting.

**Route map to the venue of Annual General Meeting**



**PRAGATI FINSERV PRIVATE LIMITED**

Registered Office: 8-2-624/A/1, 4th Floor, MB Towers, Road No.10, Avenue 4, Banjara Hills, Hyderabad, Telangana - 500034

☎: 9884277111, ✉: info@pragatifin.com, 🌐: www.pragatifin.com, CIN - U65990TG2021PTC148992

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

**Item 1: To approve the revised remuneration payable to Mr. Jagadish Babu Ramadugu, Managing Director and Chief Executive Officer.**

Mr. Jagadish Babu Ramadugu was appointed as a Managing Director and Chief Executive Officer of the Company for a period of 5 (Five) years with effect from April 2, 2021 by the Members of the Company at the Extra Ordinary General Meeting held on May 7, 2021.

Further, at the Extra Ordinary General Meeting held on July 25, 2024, Members of the Company have approved the revision in remuneration to Managing Director & CEO as detailed below:

<b>Particulars</b>	<b>Proposal for FY 2024-25</b>
Salary	Fixed CTC of INR 1.68 Crore per annum
Bonus	Discretionary bonus of INR 3 crores for the last three years i.e 2021-22, 2022-23 and 2023-24 of which 80% will be payable in July 2024 and 20% will be deferred and payable in May, 2025

Moreover, the shareholders have given their approval for payment of said remuneration to Mr. Jagadish Babu Ramadugu, in excess of prescribed limit of 5% and 11% of the net profits of the Company computed in accordance with Section 198 read with schedule V of the Companies Act, 2013 in any financial year(s), during his remaining tenure as Managing Director & CEO of the Company.

Considering the contribution and positive impact along with expert guidance and industry network of Mr. Jagadish Babu Ramadugu, Nomination and Remuneration Committee (NRC) of the Company, in its meeting held on July 24, 2025 has recommended to revise his existing remuneration structure from Fixed CTC of Rs. 1.68 Cr per annum to Rs. 1.85 Cr with effect from April 01, 2025. Board of Directors of the Company in its meeting held on July 24, 2025 has considered the recommendation of NRC and approved the same, subject to the approval of Members of the Company.

The revised remuneration payable to Mr. Jagadish Babu Ramadugu, Managing Director & CEO of the Company with effect from April 1, 2025 is detailed below:

<b>Particulars</b>	<b>Proposal for FY 2025-26</b>
<b>Fixed Pay</b>	Annual Fixed Salary of INR 1,84,80,000/- (Rupees One Crore Eighty-Four Lakhs Eighty Thousand only) <i>[10% increase from the existing Fixed compensation of INR 1,68,00,000/-]</i>
<b>Variable Pay</b>	INR 93,00,000/- (Rupees Ninety-Three Lakhs only) <i>[80% of the variable pay will be payable in the current financial year and balance 20% will be deferred and payable in the next financial year.]</i>

**Deferred Variable Pay** of previous years - Payment of balance 20% variable pay of previous year(s) amounting to INR 60,00,000/- (Rupees Sixty Lakhs only)

Pursuant to the provisions of Section 197 of the Companies Act, 2013, the overall managerial remuneration payable to Directors shall not exceed 11% of the net profits of the Company and the remuneration payable to Managing Director shall not exceed 5% of the net profits of the Company.

Further, Since the Company has no profits as per the Statement of Profit and Loss for the year ended March 31, 2025 and pursuant to the provisions of Section 197 read with Schedule V of the Companies Act, 2013, the remuneration payable to Managerial personnel shall not exceed the limit specified under Schedule V, Section II (A).

Provided that the remuneration in excess of above Limits may be paid if the resolution passed by the shareholders is a special resolution.

Since the company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, is not required to be obtained by the company in this regard.

Additional Information as per Schedule V of the Companies Act, 2013:

<b>I. General information</b>																	
Nature of industry	Provision of Services as Business Correspondent to Holding Company																
Date <del>or expected date</del> of commencement of commercial production / commencement of activities	June 18, 2021.																
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable. The Company was incorporated on February 25, 2021.																
Financial performance based on given indicators	<i>(Amounts in Rs. Lakhs)</i>																
	<table border="1"> <thead> <tr> <th>Particulars</th> <th>As on March 31, 2025</th> <th>As on March 31, 2024</th> <th>As on March 31, 2023</th> </tr> </thead> <tbody> <tr> <td>Turnover</td> <td>4,729.70</td> <td>9,632.25</td> <td>3,805.54</td> </tr> <tr> <td>PBT</td> <td>(4,517.26)</td> <td>2,598.21</td> <td>(462.61)</td> </tr> <tr> <td>PAT</td> <td>(3,262.38)</td> <td>2,169.39</td> <td>(462.61)</td> </tr> </tbody> </table>	Particulars	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023	Turnover	4,729.70	9,632.25	3,805.54	PBT	(4,517.26)	2,598.21	(462.61)	PAT	(3,262.38)	2,169.39	(462.61)
	Particulars	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023													
	Turnover	4,729.70	9,632.25	3,805.54													
PBT	(4,517.26)	2,598.21	(462.61)														
PAT	(3,262.38)	2,169.39	(462.61)														

	Foreign investments or collaborations, if any.	Nil						
<b>II.</b>	<b>Information about the appointee:</b>							
	Background details	Mr. Jagadish Babu Ramadugu was appointed as a Managing Director and Chief Executive Officer of the Company for a period of 5 (Five) years with effect from April 2, 2021 by the Members of the Company at the Extra Ordinary General Meeting held on May 7, 2021.						
	Past remuneration	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Approved for FY 2024-25</th> </tr> </thead> <tbody> <tr> <td>Salary</td> <td>Fixed CTC of INR 1.68 Crore per annum</td> </tr> <tr> <td>Bonus</td> <td>Discretionary bonus of INR 3 crores for the last three years i.e 2021-22, 2022-23 and 2023-24 of which 80% will be payable in July 2024 and 20% will be deferred and payable in May, 2025</td> </tr> </tbody> </table>	Particulars	Approved for FY 2024-25	Salary	Fixed CTC of INR 1.68 Crore per annum	Bonus	Discretionary bonus of INR 3 crores for the last three years i.e 2021-22, 2022-23 and 2023-24 of which 80% will be payable in July 2024 and 20% will be deferred and payable in May, 2025
Particulars	Approved for FY 2024-25							
Salary	Fixed CTC of INR 1.68 Crore per annum							
Bonus	Discretionary bonus of INR 3 crores for the last three years i.e 2021-22, 2022-23 and 2023-24 of which 80% will be payable in July 2024 and 20% will be deferred and payable in May, 2025							
	Recognition or awards	Mr. Jagadish Babu Ramadugu is a Governing Body member of Sa-Dhan, an RBI appointed Self-Regulatory Organization (SRO) for Microfinance Institutions. He has held the position of Board member and Chair of Credit bureau task force of Microfinance Institutions Network (MFIN).						
	Job profile and his suitability	<p>Mr Jagadish Babu Ramadugu comes with more than 2 decades of leadership &amp; professional experience in diverse sectors of Financial Services, Rural Marketing, Consumer Durables, FMCG &amp; Retail Management. Prior to co-founding Pragati Finserv, he was Co-founder, MD&amp;CEO of VAYA Finserv, a NBFC - MFI headquartered in Hyderabad, which provided access to credit to nearly a million rural and semi-urban low-income clients. He got in place a Technology-led robust scalable model and led a passionate team with unmatched experience in financial inclusion, which defined VAYA as a reputed NBFC - MFI within 5 years of incorporation. He was also the Co-founder &amp; CEO of Blueberry Foods.</p> <p>A B. Tech with PGDM from IIM Ahmedabad, he worked with Asian Paints, The Coca Cola Company, Spencer's Retail at senior positions, before venturing out as an entrepreneur. Passionate about social causes, he is closely involved as founder trustee since 2010 of a Charitable Trust which manages "Sparsh Hospice Center" caring for terminally ill persons in a peaceful and serene environment.</p>						
	Remuneration proposed	Annual Fixed Salary of INR 1,84,80,000/- Variable pay of INR 93,00,000/-						

		<i>[80% of variable pay will be paid in current FY and 20% will be deferred and payable in next FY.]</i>
	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.	Being an unlisted company and considering the unique nature of business of the Company, the comparative remuneration profile with respect to industry, size of the company, profile of position and appointee could not be provided.
	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	The appointee does not have any pecuniary relationship directly or indirectly with the company or managerial personnel.
<b>III.</b>	<b>Other information:</b>	
	Reasons of loss or inadequate profits	Due to the market conditions and various other macro-economic and micro-economic factors, the Company has incurred Net losses for the FY 2024-25.
	Steps taken or proposed to be taken for improvement	The Company has identified the factors which caused net losses during the last financial year and necessary steps are being taken to improve the performance.
	Expected increase in productivity and profits in measurable terms	Considering the present market situation, the future profitability of the Company could not be expressed in measurable terms.

The Board of Directors recommends the resolution set out in Item No. 3 of the notice, for approval of the Members by way of Special Resolution.

Except Mr. Jagadish Babu Ramadugu, none of the Directors, Key Managerial Personnel of the Company and their relatives are interested in this resolution.

**Additional Information to be given in case of appointment or re-appointment and/or fixation of remuneration of Directors pursuant to Standard 1.2.5 of Secretarial Standard 2 (SS-2)**

Name	Jagadish Babu Ramadugu	Ashish Mehrotra
DIN	01855121	07277318
Age	53 years	56 years
Qualifications	B.Tech (Electronics and Communications) from Nagarjuna University and PGDM from the Indian Institute of Management (IIM), Ahmedabad.	Master of Business Administration (MBA).
Experience	<p>Prior to joining Northern Arc, he was the co-founder and MD&amp;CEO of Vaya Finserv Private Limited for 5 years. He has also worked in management and executive roles with Satyam Infoway Limited, Hindustan Coca-Cola Beverages Private Limited, Spencer's Retail Limited and Asian Paints (India) Limited.</p> <p>He has over 20 years of professional experience. Previously, he was elected as a member on the board of the Microfinance Institutions Network (MFIN), an industry body where he also served as the chair of the credit bureau task force and was member of its self-regulatory organisation committee and the fintech committee.</p>	<p>Ashish Mehrotra is the MD &amp; CEO of Northern Arc Capital Limited and is the member of the Board of Northern Arc Investment Managers pvt ltd. Ashish has over 25 years of experience across Retail &amp; Commercial Banking, Wealth Management and Insurance.</p> <p>In his last role, he was the MD &amp; CEO of Niva Bupa Health Insurance (previously known as Max Bupa Health Insurance). Before that, Ashish spent over 20 years at Citibank. He was previously a Managing Director and also the Retail Bank Head for Citibank India.</p>
Terms and conditions of appointment or re-appointment	Not applicable	Re-appointment at the AGM, liable to retire by rotation.

Details of remuneration sought to be paid (FY 2025-26)	Annual Fixed Salary of INR 1,84,80,000/-  Variable pay of INR 93,00,000/- <i>[80% of variable pay will be paid in current FY and 20% will be deferred and payable in next FY.]</i>	Not applicable
Last drawn Remuneration (FY 2024-25)	Fixed CTC of Rs. 1.68 Cr per annum.  Discretionary bonus of Rs. 3 Cr for the last three years i.e 2021-22, 2022-23 and 2023-24 of which 80% will be payable in July 2024 and 20% will be deferred and payable in May, 2025	Nil
Date of first appointment on the Board	February 25, 2021	December 01, 2021
Relationship with other Directors / KMPs	Nil	Nil
Number of Shares held in the Company	24,75,990	Nil
No of Board Meeting attended during FY 2024-25	6/6	6/6

<p>Directorship held in other Companies</p>	<p>1. Autologic Motors India Private Limited 2. Blueberry Credlogic Private Limited</p>	<p>1. Northern Arc Capital Ltd 2. Northern Arc Investment Adviser Services Private Limited 3. Northern Arc Investment Managers Private Limited 4. Northern Arc Securities Private Limited 5. Northern Arc Foundation 6. AAPT Holdings Private Limited 7. AAPT Fintech Private Limited 8. AAPT Insurance Brokers Private Limited 9. AAPT Investment Advisors Private Limited 10. Finreach Solutions Private Limited</p>
<p>Membership/ Chairmanship of Committees of other Boards</p>	<p>Nil</p>	<p><b><u>Northern Arc Capital Ltd</u></b> Member of Stakeholders relationship committee, Risk Management Committee, CSR Committee, IT Strategy Committee, ESG Committee, Wilful defaulters committee.</p> <p><b><u>Northern Arc Investment Managers Private Limited</u></b> Member of Audit Committee &amp; Valuation Committee.</p>

**For Pragati Finserv Private Limited**

**Sd/-  
Srikrishna R  
Company Secretary**

**Place:** Hyderabad

**Date:** 24-07-2025