

NOTICE

NOTICE is hereby given that an Extraordinary General Meeting (“EGM”) of the shareholders of Pragati Finserv Private Limited (the “Company”) will be held at shorter notice on **Monday, the 6th day of December 2021 at 10.00 AM** at the registered office of the Company at 4th Floor, MB Towers, Road No. 10, Avenue 4, Banjara Hills, Hyderabad, Telangana – 500 034 to transact the following business:

SPECIAL BUSINESS:

1. Approval for preferential issue of Equity Shares to Northern Arc Capital Limited

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

“RESOLVED THAT pursuant to Section 62(1)(c) and other applicable provisions of the Companies Act, 2013, and rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014 and subject to the provisions of the Memorandum and Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company, to create, offer, issue and allot on a preferential basis, in the best interest of the Company, 2,25,24,011 (Two Crore Twenty Five Lakh Twenty Four Thousand and Eleven Only) equity shares of Rs. 10/- (Rupees Ten Only) each at face value to Northern Arc Capital Limited and 24,75,989 (Twenty-Four Lakh Seventy-Five Thousand Nine Hundred and Eighty-Nine Only) equity shares of Rs. 10/- (Rupees Ten Only) each at face value to Mr. Jagadish Babu Ramadugu for an aggregate consideration of INR 25,00,00,000 (Rupees Twenty-Five Crore Only) and these shares shall be ranking *pari-passu* in all respects with the existing equity shares of the Company.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to decide, approve, vary, modify and alter the terms and conditions of the issue of the Shares, as it may, in its sole and absolute discretion deem fit within the scope of this approval of Members and expedient and to make an offer to the Allottee through private placement offer cum application letter in Form PAS-4 as prescribed under the Companies Act, 2013, without being required to seek any further consent or approval of the Members.”

“RESOLVED FURTHER THAT each of the directors and company secretary of the Company be and are hereby severally authorised to do all acts, deeds and things as may be necessary to give effect to the above resolution, including but not limited to signing and issuing the private placement offer letter, making necessary filing with the Registrar of Companies and to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the Shares, utilization of issue proceeds, as may be required.”

“RESOLVED FURTHER THAT aforementioned issue of equity shares on preferential basis shall be subject to Northern Arc Capital Limited subscribing to the issue.”

“RESOLVED FURTHER THAT each of the directors and company secretary of the Company be and is hereby authorised to provide a certified copy of the above resolution to any person, as may be required.”

2. To Appoint Mr. Vijay Nallan Chakravarthi as a Non-Executive 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 Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Vijay Nallan Chakravarthi (DIN: 08020248) who was appointed as the additional director of the Company

be and is hereby appointed as a non-executive director of the Company with immediate effect, whose term of office shall be liable to retirement by rotation as per the requirements of Section 152(6) of the Companies Act, 2013.

RESOLVED FURTHER THAT each of the directors and the company secretary of the Company be and are hereby authorized severally to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the resolutions for and on behalf of the Company, including without limitation, making necessary entries in the registers of the Company, filing of requisite forms and documents with the Registrar of Companies, and to comply with all other requirements in this regard.

RESOLVED FURTHER THAT each of the directors and company secretary of the Company be and is hereby authorised to provide a certified copy of the above resolution to any person, as may be required.”

3. Appointment of Mr. Ashish Mehrotra as a Non-Executive 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 section 152 and other applicable provisions of the Companies Act, 2013, Mr. Ashish Mehrotra (DIN: 07277318), who was appointed as additional director of the Company be and is hereby appointed as a non-executive director of the Company with immediate effect whose term of office shall be liable to retirement by rotation as per the requirements of Section 152(6) of the Companies Act, 2013.

RESOLVED FURTHER THAT each of the directors and the company secretary of the Company be and are hereby authorized severally to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the resolutions for and on behalf of the Company, including without limitation, making necessary entries in the registers of the Company, filing of requisite forms and documents with the Registrar of Companies, and to comply with all other requirements in this regard.

RESOLVED FURTHER THAT each of the directors and company secretary of the Company be and is hereby authorised to provide a certified copy of the above resolution to any person, as may be required.”

**By Order of the Board of Directors
For Pragati Finserv Private Limited**

**Sreejith Raj P
Company Secretary**

Place: Chennai
Date: December 04, 2021

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 slip 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 4:00 PM on all working days (except Saturday) upto the date of this Extra-ordinary General Meeting.
5. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.

Route map to the venue of Extraordinary General Meeting



ANNEXURE TO THE NOTICE

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

Item 1: Approval for Preferential issue of Equity Shares of the Company to Northern Arc Capital Limited

The Board of Directors at its meeting held on March 23, 2021, and December 01, 2021, had accorded its approval for issuing shares equity shares up to an amount of Rs. 25,00,00,000 by way of issue of 2,50,00,000 equity shares at face value on a preferential allotment basis, subject to the approval of the Company. In terms of Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, the relevant disclosures are provided below. The preferential issue of shares requires the approval of the shareholders of the Company by way of special resolution.

None of the directors, key managerial personnel or their relatives, except Mr. Jagadish Babu Ramadugu are in any way concerned or interested in resolutions set out in item No. 1 of the Notice. The Board recommends both the resolutions for approval by the Members with requisite majority.

Statement of Disclosure as required under Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 (1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 is as under:

(i) Objects of the issue:

The objects of the issue are to meet the Net Owned Fund requirement as prescribed by Reserve Bank of India, for business expansion and general corporate purpose of the Company.

(ii) the total number of shares or other securities to be issued:

2,50,00,000 Equity Shares of INR 10 each.

(iii) the price or price band at/within which the allotment is proposed:

The issue of shares is proposed to be made at face value (INR 10 per Equity Share).

(iv) basis on which the price has been arrived at along with report of the registered valuer:

Valuation report issued by the registered valuer Mr. Raj Pradip Shroff (RV Registration No. IBBI/RV/05/2019/11263), Cama Building, 1st floor, 24/26 Dalal Street, Fort, Mumbai-400 001.

(v) relevant date with reference to which the price has been arrived at:

September 30,2021

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

Allotment is proposed to be made to Northern Arc Capital Limited and Mr. Jagadish Babu Ramadugu

(vii)intention of promoters, directors or key managerial personnel to subscribe to the offer:

Mr. Jagadish Babu Ramadugu, Managing Director and Chief Executive Officer of the Company proposes to subscribe to the offer.

(viii) the proposed time within which the allotment shall be completed:

The allotment of Equity Shares shall be completed within a period of 14 days from the date of passing of the resolution by the shareholders, provided that where the allotment is pending on account of pendency of any regulatory approval, the allotment shall be completed by the Company within a period of 14 days from the date of receipt of such approvals.

(ix) the names of the proposed allottees and the percentage of post preferential offer capital that may be held by them:

- a) M/s. Northern Arc Capital Limited: 90.10%
- b) Mr. Jagadish Babu Ramadugu: 9.90%

(x) the change in control, if any, in the company that would occur consequent to the preferential offer:

There is no change in control that would occur consequent to the preferential offer.

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

No allotments have been made on preferential basis were made to any other person during the year.

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

Not Applicable

(xiii) Pre-issue and post issue shareholding pattern of the Company:

Sr. No.	Category	Pre-Issue		Post Issue	
		No. of Shares held	% of Share Holding	No. of Shares held	% of Share Holding
A	Promoters' holding:				
1	Indian:				
	Individual	-	-	-	-
	Bodies Corporate	9,999	99.99%	2,25,34,010	90.10%
	Sub Total	9,999	99.99%	2,25,34,010	90.10%
2	Foreign Promoters	-	-	-	-
	Sub Total (A)	9,999	99.99%	2,25,34,010	90.10%
B	Non- Promoter holding:				
1.	Institutional Investors	-	-	-	-
2.	Non-Institution:	-	-	-	-
	Private Corporate Bodies	-	-	-	-
	Directors and Relatives	1	0.01%	24,75,990	9.90%
	Indian Public	-	-	-	-
	Others	-	-	-	-
	Sub Total (B)	1	0.01%	24,75,990	9.90%
	GRAND TOTAL	10,000	100%	2,50,10,000	100%

(xiv) **Particulars of the offer including date of passing board resolution and material terms of raising such securities:**

Issue of 2,50,00,000 equity shares of INR 10 each at face value. Date of passing board resolution: March 23, 2021, and December 01, 2021.

Item 2: Appointment of Mr. Vijay Nallan Chakravarthi as Non-Executive Director

The Board in its resolution passed on March 23, 2021, had approved the appointment of Mr. Vijay Nallan Chakravarthi as an additional director. Pursuant to Section 152 of the Companies Act, 2013, an appointment as director of the Company requires approval of the members by way of an Ordinary Resolution. Approval of the members is, therefore, sought in terms of the said provision of the Companies Act, 2013.

None of the directors or key managerial personnel of the Company or their relatives, other than the director seeking appointment is in anyway concerned or interested in the resolution. Disclosure on details of director seeking appointment as per the requirement of Secretarial Standard on General Meetings is provided below.

The Board recommends the Ordinary Resolution as set out at item no. 2 for approval by the Members.

Item 3: Appointment of Mr. Ashish Mehrotra as Non-Executive Director

The Board in its resolution passed on December 01, 2021, had approved the appointment of Mr. Ashish Mehrotra as an additional director. Pursuant to Section 152 of the Companies Act, 2013, an appointment as director of the Company requires approval of the members by way of an Ordinary Resolution. Approval of the members is, therefore, sought in terms of the said provision of the Companies Act, 2013.

None of the directors or key managerial personnel of the Company or their relatives, other than the director seeking appointment is in anyway concerned or interested in the resolution.

The Board recommends the Ordinary Resolution as set out at item no. 3 for approval by the Members. Disclosure on details of director seeking appointment as per the requirement of Secretarial Standard on General Meetings is provided below.

Details of Directors proposed to be appointed

[Pursuant to para 1.2.5 of the Secretarial Standard on General Meetings]

Name of the Director	Mr. Vijay Nallan Chakravarthi	Mr. Ashish Mehrotra
DIN	08020248	07277318
Date of Birth & Age	September 10, 1975. 45 Years	11/02/1969 52 Years
Date of appointment on Board	March 23, 2021	December 01, 2021
Qualification	MBA from the Kellogg School of Management at Northwestern University and a BE from the University of Madras.	Master's degree in business administration from the Institute of Management Studies, Devi Ahilya Vishwavidyalaya, Indore.

Experience and Expertise	Mr. Vijay Nallan Chakravarthi is the Managing Director of Affirma Capital India and formerly Executive Director at Standard Chartered Private Equity (SCPE), where he led investments in Financial Services, Healthcare, Consumer, Technology and Education sectors. He is involved with the fund's investments in Fortis, Cafe Coffee Day group and Varun Beverages. Vijay has worked at Bain Capital India and at The Boston Consulting Group (Chicago), where he focused on private equity and M&A.	Mr. Ashish Mehrotra is the President & Deputy Chief Executive Officer of Northern Arc Capital Limited. He is responsible for Northern Arc's overall strategy, retail business and technology. Prior to joining Northern Arc Capital, he was the managing director and chief executive officer of Max Bupa Health Insurance Company Limited.
Number of Meetings of the Board attended during the year	One	--
List of Directorship / Membership / Chairmanship of Committees of other Board	1. Northern Arc Capital Limited 2. Affirma Capital Investment Adviser India Private Limited	1. Aapt Insurance Brokers Private Limited 2. Aapt Investment Advisors Private Limited 3. Aapt Holdings Private Limited 4. Aapt Fintech Private Limited 5. Northern Arc Investment Managers Private Limited
Shareholding in the Company	NIL	NIL
Relationship with other directors, manager and other Key Managerial Personnel of the Company	NA	NA
Terms and Conditions of appointment/reappointment along with details of remuneration sought to be paid and remuneration last drawn by such person	Non-Executive Director of the Company. Details of Remuneration – NA	Non-Executive Director of the Company. Details of Remuneration – NA

**By Order of the Board of Directors
For Pragati Finserv Private Limited**

**Sreejith Raj P
Company Secretary**

Place: Chennai
Date: December 04, 2021