

NOTICE

Notice is hereby given that the **26th** (Twenty Sixth) Annual General Meeting (AGM) of Arman Financial Services Limited will be held at The Ahmedabad Textile Mills' Association (ATMA) Hall, Ashram Road, Ahmedabad 380009 on Friday, 7th September, 2018 at 12.00 noon to transact the following business.

ORDINARY BUSINESS:

1. To consider and adopt:
 - a. the audited financial statement of the Company for the financial year ended 31st March, 2018, the reports of the Board of Directors and Auditors thereon; and
 - b. the audited consolidated financial statement of the Company for the financial year ended 31st March, 2018.
2. To declare a Dividend on equity shares for the financial year ended 31st March, 2018.
3. To appoint a Director in place of Mrs. Ritaben Patel [DIN-00011818] who retires by rotation and being eligible, offers herself for reappointment.
4. To appoint a Director in place of Mr. Aalok Patel [DIN-02482747] who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

5. Appointment of Mr. Alok Prasad as an Independent Director

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

'RESOLVED THAT pursuant to the provisions of Sections 149, 150, and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR/Listing Regulations), including any statutory modifications or re-enactment(s) thereof and any rules made thereunder, for the time being in force, Mr. Alok Prasad (DIN: 00080225), who was appointed as an Additional & Independent Director of the Company with effect from 01.08.2018, and whose term expires at this AGM, not liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 years with effect from 01.08.2018.'

6. Increasing the Borrowing Powers under Section 180(1)(c) of the Companies Act, 2013 up to 500 Cr.

To consider and if thought fit to pass, with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications thereof) and any rules and regulations made thereunder, the consent of the members of the Company be and is hereby accorded by way of special resolution, to the Board of Directors of the Company ("**Board**") for borrowing from time to time, as it may think fit, any sum or sums of money in any currency on such terms and conditions as the Board may deem fit, by way of loans, issuance of bonds, notes, debentures or other securities whether convertible into equity/preference shares or not, from banks, financial or other institution(s), investors, mutual fund(s), or any other persons, up to an aggregate amount of Rupees **500 Crores** (Five Hundred Crores) notwithstanding that the monies to be borrowed, together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

"RESOLVED FURTHER THAT the Board (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do all such acts, deeds and things and to sign and execute all such deeds, documents and instruments as may be necessary, expedient and incidental thereto to give effect to this resolution."

7. Creation of charges, mortgages, hypothecation on the immovable and movable properties of the Company under Section 180(1)(a) of the Companies Act, 2013

To consider and if thought fit to pass, with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications thereof) and any rules and regulations made thereunder, consent of the members of the Company be and is hereby accorded by way of a special resolution to the Board of Directors



("Board") of the Company to pledge, mortgage, lien, hypothecate and/or create charge, whether fixed or floating (in addition to any other hypothecation, pledge, lien, mortgage, charges created/to be created by the Company), in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the immovable properties and movable assets (both tangible and intangible) of the Company, both present and future, and the whole or substantially the whole of the undertaking(s) or any properties of the Company where so ever situated, in favour of banks, financial institutions, investors, debenture holders or any other lenders and their agents or trustees (together, the "Lenders") to secure any borrowings, debentures, financial assistance or financial indebtedness availed by the Company or any third party from time to time (including without limitation, the due payment of the principal and/or together with interest, at the respective agreed rates, additional interest, compound interest, accumulated interest, liquidated damages, commitment charges, remuneration of the agent(s), trustee(s), prepayment premium, all other costs, charges and expenses and all other monies payable by the Company) (together, the "Financial Indebtedness") in terms of the financing documents, or any other documents, entered into or to be entered into between the Company and any Lender(s) in respect of the Financial Indebtedness, on such terms and conditions as may be agreed between the Company and any Lender(s), provided that the maximum extent of the Financial Indebtedness secured by the assets of the Company does not exceed Rupees **500 Crores** (Five Hundred Crores) at any time."

"RESOLVED FURTHER THAT the pledge, mortgage, lien, hypothecation and/or charge created or to be created and all agreements, deeds, instruments or documents executed or to be executed and all acts necessary in terms of this resolution required to be done by the Company or the Board are hereby approved, confirmed and ratified."

"RESOLVED FURTHER THAT the Board (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do all such acts, deeds and things and to sign and execute all such deed, documents and instruments as may be necessary, expedient and incidental thereto to give effect to this resolution."

8. Adoption of Articles of Association as per the provisions of the Companies Act, 2013

To consider and if thought fit to pass, with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 14 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this Meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company."

"RESOLVED FURTHER THAT Shri Jayendra Patel, Vice Chairman & Managing Director or Shri Aalok Patel, Executive Director of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

9. Adoption of Memorandum of Association as per the provisions of the Companies Act, 2013

To consider and if thought fit to pass, with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions of the Companies Act, 2013, read with rule 32 of Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the words at the beginning of the Memorandum of Association and before Clause I "(THE COMPANIES ACT, 1956)" be and are hereby substituted by the words "(THE COMPANIES ACT, 2013)".

"RESOLVED FURTHER THAT pursuant to the provisions of Section 13 and other applicable provisions of the Companies Act, 2013 (including any re-enactment(s) and modification(s) made there under, if any, for the time being in force), Clause III of the Memorandum of Association of the company be and is hereby amended as under:-

- I. Heading of the Part A of Clause III of Memorandum of Association i.e. "MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:" substituted with the Heading "OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE".
- II. Heading of Part B of Clause III of Memorandum of Association i.e. "OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS" substituted with the Heading "MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF

THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE”.

III. Part C of Clause III of Memorandum of Association i.e. “OTHER OBJECTS” be and is hereby deleted (all Sub- clauses 1 to 140).

IV. Clause IV of Memorandum of Association of the Company be and is hereby amended and substituted with the following Clause IV:

The liability of the Member(s) is Limited and this liability is limited to the amount unpaid, if any, on the shares held by them.”

“**RESOLVED FURTHER THAT** Shri Jayendra Patel, Vice Chairman & Managing Director or Shri Aalok Patel, Executive Director of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”

10. Reclassification of ‘promoter and promoter group category’ to ‘public category’

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

“**RESOLVED THAT** in accordance with Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) including any statutory modification(s) or re-enactment thereof, for the time being in force and other applicable provisions, and subject to necessary approvals from the SEBI, Stock Exchanges and other appropriate statutory authorities, as may be necessary, the consent of the Members of the Company be and is hereby accorded to reclassify the following persons, currently forming part of the “Promoter and Promoter Group” holding 44650 Equity Shares aggregating to 0.78% of the paid up capital of the Company, from “Promoter & Promoter Group” shareholding of the Company to the “Public” shareholding of the Company:

| Name of the Promoters / Promoter Group | Number of Equity Shares | Percentage |
|--|-------------------------|------------|
| Amit Rajnikant Manakiwala | 13244 | 0.23% |
| Himani Amit Manakiwala | 30606 | 0.54% |
| Maulik Amit Manakiwala | 800 | 0.01% |

“**RESOLVED FURTHER THAT** on approval of the Stock Exchange(s) upon application for reclassification of the

forementioned applicants, the Company shall effect such re-classification in the statement of shareholding pattern from immediate succeeding quarter under Regulation 31 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.”

“**RESOLVED FURTHER THAT** Shri Jayendra Patel, Vice Chairman & Managing Director or Shri Aalok Patel, Executive Director or Mr Jaimish Patel, Company Secretary & Compliance Officer of the Company, be and is hereby severally authorised to perform and execute all such acts, deeds, matters and things including but not limited to making timely intimation to stock exchange(s), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard to give full effect to the aforesaid resolutions.”

11. Approval to deliver document through a particular mode as may be sought by the member

To consider and if thought fit to pass, with or without modification, the following Resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to Section 20 of the Companies Act, 2013 and the Rules made thereunder (hereinafter referred to as ‘the Act’), upon receipt of a request from a member for delivery of any document through either by registered post or by speed post or by courier or by such electronic or other mode prescribed under the Act, consent of the Company be and is hereby accorded to the Board of Directors of the Company to serve document(s) to such Member by charging an amount of Rs.100/- (Rupees One Hundred Only) per each such document, over and above reimbursement of actual expenses incurred by the Company, by way of fees for sending the document to him in the desired particular mode.”

“**RESOLVED FURTHER THAT** the estimated fees for delivery of the document shall be paid by the member in advance to the Company, before dispatch of such document.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company or its duly constituted committee be and is hereby authorised to amend or alter such charges from time to time and to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”



12. Private Placement of Non-Convertible Debentures

To consider and if thought fit to pass, with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read together with the Companies (Prospectus and Allotment of Securities) Rules, 2014, including any modification, amendment, substitution or re-enactment thereof, for the time being in force and the provisions of the Memorandum of Association and the Articles of Association of the Company, the approval and consent of the members of the Company, be and is hereby accorded to the board of directors of the Company (the "Board") to issue, and to make offer(s) and/or invitation(s) to eligible persons to subscribe to, Non-Convertible Debentures ("NCDs"), on private placement basis, in one or more tranches, for a period of one year from the date of passing of this resolution, provided that the outstanding amount at any time during the period shall not exceed Rupees **200 Crores.**"

"RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange, settle and determine the terms and conditions (including without limitation, interest, repayment, security or otherwise) as it may think fit of such NCDs, and to do all such acts, deeds, and things, and to execute all such documents, instruments and writings as may be required to give effect to these resolutions."

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Businesses at the meeting, is annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other member.

3. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy

Form is annexed hereto. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/ authority, as applicable.

4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 1st September, 2018, to Friday, 7th September, 2018 (both days inclusive).
5. The dividend on equity shares for the year ended 31st March, 2018, if declared at the meeting, will be paid / dispatched on due date to those members whose names appear on the Company's Register of Members or on records of National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on 31st August, 2018.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
7. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail IDs either with the Company or with the Depository. Members holding shares in demat form are requested to register their e-mail IDs with their Depository Participant(s) only. Members of the Company, who have not registered their e-mail IDs, are entitled to receive such communication in physical form upon request.
8. The Notice of Annual General Meeting, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of Annual General Meeting, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s).
9. Members who have received the Notice of Annual General Meeting, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the Annual General Meeting. Members are requested to bring their copy of the Annual Report to the meeting.
10. Members intending to require information about Accounts in the Meeting are requested to inform the Company at least 7 days in advance of the Annual General Meeting.

11. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic/ demat form, the members may please contact their respective depository participant.
12. In terms of Sections 124 of the Companies Act, 2013, any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to the Investor Education and Protection Fund. Accordingly, the unpaid dividend lying in dividend account of the year 2010-11 will be transferred to Investor Education and Protection Fund at appropriate time in the current financial year. Members who have not encashed their dividend warrants are requested to write to the Registrars & Share Transfer Agents.

The status of dividends remaining unclaimed / unpaid with the respective due dates of transfer to IEPF is provided as under.

| Financial Year Ended | Date of Declaration of Dividend | Last Date for claiming Unpaid Dividend | Due date for transfer to IEPF Authority |
|----------------------|---------------------------------|--|---|
| 2010-11 | 26.09.2011 | 25.09.2018 | 25.10.2018 |
| 2011-12 | 29.09.2012 | 28.09.2019 | 28.10.2019 |
| 2012-13 | 30.08.2013 | 29.08.2020 | 29.09.2020 |
| 2013-14 | 24.09.2014 | 23.09.2021 | 23.10.2021 |
| 2014-15 | 29.09.2015 | 28.09.2022 | 28.10.2022 |
| 2015-16 | 22.09.2016 | 21.09.2023 | 21.10.2023 |
| 2016-17 | 28.09.2017 | 27.09.2024 | 27.10.2024 |

Shareholder can visit the Company's website www.armanindia.com to check the details of their unclaimed dividend under the Corporate Governance's section.

13. Pursuant to provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all the underlying shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF authority as notified by the Ministry of Corporate Affairs. In view thereof, after complying with the prescribed procedure, 1,13,681 shares on which dividend remained to be unclaimed for seven consecutive years, were transferred to IEPF account. The Company has initiated the process of transfer of shares on which dividend has not been claimed since FY 2010-11 and the same will be transferred on due date. Members who have not claimed dividend since FY 2010-11 are requested to claim the same before the dividend and the underlying shares gets transferred to IEPF account.
14. Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rule, 2014 as amended and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Cut-off date i.e. 31.08.2018, are entitled to vote on the resolutions set forth in this Notice.

Members who have acquired shares after the dispatch of the Annual Report and before the Cut-off date may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. A person who is not a member as on the cut-off date should treat this notice for information purposes only.

15. The instructions for shareholders voting electronically are as under:

- i. The voting period begins on 09.00 a.m. on Tuesday, 04.09.2018 and ends on 05.00 p.m. Thursday, 06.09.2018. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 31.08.2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iii. Click on Shareholders.
- iv. Now Enter your User ID
 - i. For CDSL: 16 digits beneficiary ID,
 - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.



- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|--|
| PAN | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field. |
| Dividend Bank Details or Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). |

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant **Arman Financial Services Limited** on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Shareholders can also use Mobile app - "m - Voting" for e voting. "m - Voting" app is available on Apple, Android and Windows based Mobile. Shareholders may log in to "m - Voting" using their e voting credentials to vote for the company resolution(s).
- xix. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at

www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

16. Other Instructions:

- a. Mr. Ishan P. Shah, Advocate, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- b. The Scrutinizer shall immediately after the conclusion of voting after the Annual General Meeting, count the votes cast at the meeting, thereafter unblock the votes in the presence of at least two witnesses not in the employment of the Company and make, not later than forty eight hours of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company. The Chairman or person authorised by him in writing shall declared the results of the voting forthwith.
- c. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.armanindia.com and on the website of CDSL www.evotingindia.com immediately after the result is declared by the Chairman.
- d. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- e. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participant(s), with whom they maintain their Demat accounts, will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change in bank particulars. Members holding shares in demat form are requested to intimate any change in their address and/or bank mandate to their Depository Participants immediately.
- f. Members holding shares in physical form are requested to intimate any change of address and/or bank mandate to M/s Bigshare Services Private Limited / Investor Service Department of the Company immediately.
- g. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) and bank details by every participant in securities market. Members holding shares in physical form can submit their PAN and bank details to M/s Bigshare Services Private Limited / Investor Service Department of the Company.
- h. Details of the Directors seeking re-appointment in the 26th (Twenty Sixth) Annual General Meeting Pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are provided below:

| Particulars | Mrs. Ritaben Patel | Mr. Aalok Patel | Mr. Alok Prasad |
|--|------------------------------------|--|--|
| DIN | 00011818 | 02482747 | 00080225 |
| Date of Birth | 27.08.1950 | 02.08.1984 | 08.09.1952 |
| Relationships with other Directors | Wife / Mother | Brother/ Son | N.A. |
| Date of Appointment | 26.11.1992 | 31.01.2007 | 01.08.2018 |
| Expertise | Banking & Finance | Accounts & Finance | Banking & Finance |
| Qualification | B. A. in Economics | Master Degree in Accounting & Finance, CPA | Master of Arts from University of Delhi. |
| No. of Equity Shares held in the Company | 2,96,674 | 2,47,809 | Nil |
| List of other Companies in which directorship are held | Namra Finance Limited | Namra Finance Limited | Muthoot Microfin Limited Fincare Small Finance Bank Limited |
| Chairmanship / Membership of Committees (includes only Audit and Stakeholder Relationship Committee) | Chairmanship: Nil Membership: 2 | Chairmanship: Nil Membership: 1 | Chairmanship: Nil Membership: Nil |

Note: The Directorships held by Directors as mentioned above, do not include Directorships of Private Limited Companies.

Place: Ahmedabad
Date: 09.08.2018
Registered Office:
502-503, Sakar III,
Opp. Old High Court,
Off Ashram Road,
Ahmedabad 380014
Gujarat

By Order of the Board

Jayendra Patel
(Vice Chairman & Managing Director)
DIN: 00011814



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

Item No: 5

The Board of Directors, by way of circular resolution dated 01.08.2018, approved the appointment of Mr. Alok Prasad (DIN-00080225) as an Additional Director (Independent) of the Company to hold office for a period of five consecutive years, not liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM").

As an Additional Director, Mr. Prasad holds office till the date of the AGM and is eligible for being appointed as an Independent Director. The Company has received a declaration from Mr. Prasad confirming that he meets the criteria of independence as prescribed under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Mr. Prasad is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company. In the opinion of the Board, Mr. Prasad fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations and he is independent of the management.

Mr. Prasad is a veteran banker with over 35 years of regulatory, banking, and financial services experience. He is regarded as an expert and 'go-to' person for financial inclusion and more broadly, access to finance matters. Currently, he is connected with a number of Banks & NBFCs as an Advisor, Mentor and/or Board Member.

From 2010-15, Mr. Prasad was the Chief Executive Officer of Microfinance Institutions Network (MFIN), the premier industry body and Self-Regulatory Organisation (SRO) for Microfinance Institutions (MFIs) in India. Prior to that, he held senior positions in institutions such as the Reserve Bank of India (RBI), National Housing Bank (NHB) and Citibank.

Seamlessly straddling the Government & Regulatory world with that of the private sector, Mr. Prasad steered the Microfinance industry through its crisis phase (2010-13). The subsequent mainstreaming of MFIs and their integration into the national financial architecture was an outcome of the advocacy work and constructive policy level engagement by MFIN under his leadership. As an industry expert, Mr. Prasad has served on a number of committees of the Ministry of Finance, Govt of India. Passionate about financial inclusion, Mr. Prasad has been

often interviewed and quoted by the media, including national and international newspapers. From 2013-15, Mr. Prasad also served as the Chairperson of South Asia Micro-entrepreneurs Network (SAMN).

Mr. Prasad is not related to any other Director and Key Managerial Personnel of the Company.

Except Mr. Prasad, none of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the passing of the above resolution.

Item No: 6 & 7

The members of the Company through postal ballot notice dated 08.07.2016 has approved by way of a Special Resolution under Section 180(1)(c) of the Companies Act, 2013, borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs.200 Crores (Rupees Two Hundred Crores).

The Board of Directors of a Company shall not, except with the consent of Company by Special Resolution borrow money together with the money already borrowed, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), exceeding the aggregate of the paid up capital and its free reserves as per the provisions of Section 180(1)(c) of the Companies Act, 2013 ("the Act") and its rules thereunder.

The borrowings of the Company are in general required to be secured by suitable mortgage or charge on all or any of the movable or immovable properties of the Company, in such form, manner and ranking as may be determined by the Board of Directors / any of its authorised Committee of the Company from time to time, in consultation with the lender(s).

It is therefore, necessary for the members to pass a Special Resolution under Section 180(1)(a) and 180(1)(c) of the Companies Act, 2013, as set out at Item No. 6 and Item No. 7 of the Notice, to enable the Board of Directors to borrow money upto Rs. 500 Crores (Rupees Five Hundred Crores) and inter alia, authorised the Board to secure its borrowing by mortgage / charge on any of the movable

and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company.

The Board recommends the Special Resolution as per the accompanying Notice, for approval by the Shareholders of the Company.

None of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the passing of the above resolution.

Item: 8

The existing Articles of Association (AOA) are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Act. Accordingly, with a view to align the existing AOA of the Company with Table F of the Schedule I of the Act and in accordance with Section 14 of the Act, it is proposed to adopt new set of AOA of the Company. The Board at its meeting held on 09.08.2018 has approved adaptation of new set of AOA of the Company and the Board now seeks Members approval for the same. A copy of the proposed set of new AOA of the Company would be available for inspection for the Members at the Registered Office of the Company during the office hours on any working day, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 5.00 p.m. till the date of AGM. The aforesaid documents are also available for inspection at the AGM.

None of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the passing of the above resolution.

Item: 9

The members are informed that the existing Objects clause III of the Memorandum of Association of the Company is divided into (A) Main Objects; (B) Objects incidental or ancillary to attain main objects and (C) Other objects. In terms of Section 4 of the Companies Act, 2013, Objects clause III of the Memorandum of Association of the Company shall state the objects for which the company is incorporated and any matter considered necessary in furtherance of the objects thereof. Also the liability clause IV is required to be modified in terms of the requirement of the aforementioned section. Hence, in view of the notification of Companies Act, 2013 and rules there under and repeal of Companies Act, 1956 and it is proposed to amend the existing Memorandum of Association of the company to align the same with the Companies Act, 2013.

A copy of the proposed set of new MOA of the Company would be available for inspection for the Members at the Registered Office of the Company during the office hours on any working day, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 5.00 p.m. till the date of AGM. The aforesaid documents are also available for inspection at the AGM. The Board at its meeting held on 09.08.2018 has approved alteration of the MOA of the Company and the Board now seeks Members approval for the same.

None of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the passing of the above resolution.

Item: 10

Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'Listing Regulations'), provides a regulatory mechanism for re-classification of 'promoters' as 'public shareholders' subject to fulfillment of conditions as provided therein.

In this regard, the Company has received applications from the persons, as set out below; pursuant to Regulation 31A of the Listing Regulations for classifying them under the 'Public Category' since their names have been included as a part of the 'Promoter and Promoter group':

| SRN | Name of the Promoters / Promoter Group | No. of shares held as per application |
|-----|--|---------------------------------------|
| 1 | Amit Rajnikant Manakiwala | 13244 |
| 2 | Himani Amit Manakiwala | 30606 |
| 3 | Maulik Amit Manakiwala | 800 |

They are financially independent persons who take independent investment decisions and are no way related to any of the business carried out by the Company. Further, the applicants have informed that:

- 1) They are not holding more than 1% shares in the Company.
- 2) They do not have any special rights in the Company through formal or informal arrangements.
- 3) They do not directly or indirectly, exercise control over the affairs of the Company.
- 4) They have neither any representation on the Board of the Company nor have any veto / special rights as to voting power or control over the Company.
- 5) They will not act as Key Managerial Personnel of the Company.

In view of the explanations given by the applicants as



detailed above and in consideration to the conditions as stipulated in Regulation 31A of the Listing Regulations, the Board of Directors of the Company at their meeting held on 09.08.2018 have approved all the applications for reclassification received by the Company as above from 'Promoter and Promoter Group' category to 'Public category' subject to approval by the members and relevant regulatory authorities. As required, intimation has been sent to Stock Exchanges based on declaration received from the aforesaid persons/entities. Further as per Rule 19A of the Securities Contracts (Regulation) Rules, 1957, the public shareholding as on date of the notice fulfills the minimum public shareholding requirement of at least 25% and the proposed reclassification does not intend to increase the public shareholding to achieve compliance with the minimum public shareholding requirement. Further, in accordance with Regulation 31A of the Listing Regulations, the said reclassification requires the approval of the Stock Exchanges, where the shares of the Company are listed. In terms of the procedure adopted by the Stock Exchanges for granting such approval, the Stock Exchanges, inter alia, require that the Company obtain the consent of the Shareholders of the Company, for the said reclassification.

The Board recommends the passing of the resolution as set out under item no.10 for approval of the Members as an Ordinary Resolution.

Except Smt. Ritaben Patel, none of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the passing of the above resolution.

Item: 11

Section 20 of the Companies Act, 2013 which deals with service of documents, inter-alia, enables the Company to dispatch any document to a member as per his preferred mode on receipt of specific request subject to deposit of such fee as determined by the members in the general meeting. Accordingly, consent of the members is sought for passing a resolution authorizing the board of directors to decide the fee payable as set out at item no. 11 of the notice on dispatch of document as per the choice of mode selected by any member of the Company.

The Board recommends the resolution for approval of the members in the best interest of the Company.

None of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the passing of the above resolution.

Item: 12

The Board of Directors of the Company has been exploring various fund raising options, in order to augment the long-term resources of the Company. There is potential to raise resources through issue of Non-Convertible Debentures ("NCDs") on private placement. Your Directors considered that the Company should broaden the base of resource mobilization to ensure availability of adequate funding for future business growth and development and propose to raise these funds through issue of NCDs on private placement.

The funds raised through this issue of NCDs will be utilized for various financing activities, loans to its subsidiary, working capital requirements and general corporate purposes of the Company, after meeting the expenditures of and related to the issue. As per Sections 42 and 71 of the Companies Act, 2013 ("the Act") read with the Rules framed there under, a Company offering or making an invitation to subscribe to NCDs on private placement basis is required to obtain the prior approval of the Shareholders by way of a Special Resolution. Such an approval can be obtained once a year for all the offers and invitations made for such NCDs during the year.

The Board of Directors of the Company at its meeting held on 09.08.2018 has approved the issue of NCDs for an amount not exceeding Rs. 200 Crores, subject to the approval of the shareholders of the Company. It is also proposed to issue NCDs in one or more tranches within a period of 1 (One) year from the date of passing this Special Resolution. Further, the issue amount of NCDs will be within the overall borrowing limits of the Company, as set out at item 6 of this notice. The Board recommends the Special Resolution as per the accompanying Notice, for approval by the Shareholders of the Company.

None of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the passing of the above resolution.

Place: Ahmedabad

Date: 09.08.2018

By Order of the Board

Jayendra Patel
(Vice Chairman &
Managing Director)
DIN: 00011814

ARMAN FINANCIAL SERVICES LIMITED

Registered Office: 502-503, Sakar-III, Opp. Old High Court, Off Ashram Road, Ahmedabad-380014, Gujarat
Ph: +91-79-4050 7000, 2754 1989 Email: finance@armanindia.com Website: www.armanindia.com
CIN: L55910GJ1992PLC018623

ATTENDANCE SLIP

26th Annual General Meeting
Friday, September 7, 2018

PLEASE FILL ATTENDANCE SLIP AND HAND OVER IT AT THE ENTRANCE OF THE MEETING HALL

Joint holder may obtain additional slip on request

| | |
|-------------------|--|
| DP ID | |
| FOLIO / CLIENT ID | |

.....
(First Name)

.....
(Middle Name)

.....
(Last Name)

No of Shares held:

I hereby record my presence at the 26th Annual General Meeting of the Company held on Friday, 7th September, 2018 as at 12.00 noon at Ahmedabad Textile Mills Association (ATMA) Hall, Opp. City Gold Cinema, Ashram Road, Ahmedabad-380009

(Strike out whichever is not applicable)

.....

Signature of the Shareholder / Proxy



Arman Financial Services Limited

ARMAN FINANCIAL SERVICES LIMITED

Registered Office: 502-503, Sakar-III, Opp. Old High Court, Off Ashram Road, Ahmedabad-380014, Gujarat

ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING



Venue distance from
Railway Station: 4 Kms | Airport: 10 Kms



Arman Financial Services Limited

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 CIN: L55910GJ1992PLC018623

PROXY FORM - (FORM NO MGT-11)

Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies
 (Management and Administration) Rules, 2014

| | |
|---------------------------|--|
| Name of the Member(s): | |
| Registered address: | |
| E-mail address: | |
| Folio number / Client ID: | |
| DP ID: | |

I/ We, being the Member(s) of shares of the above named Company, hereby appoint

| | | |
|--------------------|----------------|--|
| 1. | Name | |
| | Address | |
| | E-mail address | |
| | Signature | |
| Or failing him/her | | |
| 2. | Name | |
| | Address | |
| | E-mail address | |
| | Signature | |
| Or failing him/her | | |
| 3. | Name | |
| | Address | |
| | E-mail address | |
| | Signature | |
| Or failing him/her | | |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of members of the Company, to be held on Friday, 7th September, 2018 at 12.00 noon at Ahmedabad Textile Mills Association (ATMA) Hall, Opp. City Gold Cinema, Ashram Road, Ahmedabad-380009 and at any adjournment thereof in respect of such resolutions as are indicated below:



| No. | Resolutions |
|-----|---|
| 1. | Adoption of the Financial Statements and Reports thereon and the Consolidated Financial Statements for the financial year ended on March 31, 2018 |
| 2. | Declaration of the Dividend on Equity shares |
| 3. | Re-appointment Mrs. Ritaben Patel as a Director |
| 4. | Re-appointment of Mr. Aalok Patel as a Director |
| 5. | Appointment of Mr. Alok Prasad as an Independent Director |
| 6. | Increasing the Borrowing Powers under Section 180(1)(c) of the Companies Act, 2013 up to 500 Cr. |
| 7. | Creation of charges, mortgages, hypothecation on the immovable and movable properties of the Company under Section 180(1)(a) of the Companies Act, 2013 |
| 8. | Adoption of Articles of Association as per the provisions of the Companies Act, 2013 |
| 9. | Adoption of Memorandum of Association as per the provisions of the Companies Act, 2013 |
| 10. | Reclassification of 'promoter and promoter group category' to 'public category' |
| 11. | Approval to deliver document through a particular mode as may be sought by the member |
| 12. | Private Placement of Non-Convertible Debentures |

Signed this day of..... 2018

Signature of the Member

**Affix Revenue
Stamp Here**

Signature of the Proxy holder(s)

Note: This proxy form in order to be effective must be duly completed and deposited at the registered office of the Company not less than 48 hours before commencement of the meeting