

NOTICE

NOTICE is hereby given that the 2nd (Second) Annual General Meeting of the Members of Vridhi Finserv Home Finance Limited (formerly Vridhi Finserv Limited) will be held at 11:00 A.M. on Monday, September 02, 2024, at the Registered Office of the Company at the 1st Floor, No. 38, GKR Sapthagiri Vaishtadhama, 12th Cross, Off CBI Road, Ganganagar, Bangalore - 560032, Karnataka to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements including Balance Sheet of the Company as at March 31, 2024, and the Statement of Profit and Loss for the year ended on that date together with the Board's Report and Independent Auditor's Report thereon.
2. To appoint a director in place of Mr. Sunku Ramnaresh (holding DIN: 09133395), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To appoint Mr. TY Prabhu (DIN: 02113527) as a Director and as an Independent Director of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 ('the Act') and the Rules made there under (including any statutory modification(s) or re-enactment thereof) and the Articles of Association of the Company, Mr. TY Prabhu (DIN: 02113527), who was appointed as an Additional Director (Non-Executive and Independent) of the Company by the Board of Directors on October 21, 2023 in terms of Section 161(1) of the Companies Act, 2013 and holds office till the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150 and 152 of the Act along with the rules made thereunder, as amended from time to time, read with Schedule IV to the Act, Mr. TY Prabhu (DIN: 02113527), who has submitted a declaration that he meets the criteria for appointment as an Independent director under the Act, be and is hereby appointed as an Independent Director of the Company to hold office for the first term of 5 consecutive years from October 21, 2023 to October 20, 2028 and that his office shall not be liable for retirement by rotation."

4. To appoint Mr. MM Muralidharan Nair (DIN: 10171558) as a Director and as an Independent Director of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 ('the Act') and the Rules made there under (including any statutory modification(s) or re-enactment thereof) and the Articles of Association of the Company, Mr. MM Muralidharan Nair (DIN: 10171558), who was appointed as an Additional Director (Non-Executive and Independent) of the Company by the Board of Directors on October 21, 2023 in terms of Section 161(1) of the Companies Act, 2013 and holds office till the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150 and 152 of the Act along with the rules made thereunder, as amended from time to time, read with Schedule IV to the Act, Mr. MM Muralidharan Nair (DIN: 10171558), who has submitted a declaration that he meets the criteria for appointment as an Independent director under the Act, be and is hereby appointed as an Independent Director of the Company to hold office for the first term of 5 consecutive years from October 21, 2023 to October 20, 2028 and that his office shall not be liable for retirement by rotation."

5. To appoint Mr. Sandeep Arora (DIN: 10054127) as a Director and Whole-Time Director of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof) and the Articles of Association of the Company, Mr. Sandeep Arora (DIN: 10054127), who was appointed as an Additional Director of the Company by the Board of Directors on October 21, 2023, in terms of Section 161(1) of the Companies Act, 2013 and holds office till the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to provisions of Sections 196, 197 and 203 of Companies Act 2013 ('the Act') read with Schedule V and other applicable provisions, if any Mr. Sandeep Arora be and is hereby appointed as a Whole Time Director for a term of 5 years commencing from 27th June, 2024, with the remuneration payable to him for a period of three years with effect from 27th June, 2024 to 26th June, 2027, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice.



RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “the Board” (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary terms and conditions of the said appointment in such manner as may be agreed to between the Board and Mr. Sandeep Arora.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution.”

On behalf of the Board
For **Vridhi Finserv Home Finance Limited**
(Formerly Vridhi Finserv Limited)

A handwritten signature in blue ink, appearing to read "Rishul", is written over a horizontal line.

Rishul Bhasin

Company Secretary and Chief Compliance Officer

M. No.: A71074

Address: 1st Floor, No. 38, GKR Saphthagiri Vaishtadhama,
12th Cross, Off CBI Road, Ganganagar,
Bangalore - 560032, Karnataka

Place: Bengaluru

Date: August 26, 2024

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY APPOINTED NEED NOT BE A MEMBER. THE DULY FILLED IN PROXY FORM MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.**
2. Explanatory Statement under Section 102 of the Companies Act, 2013 is annexed herewith.
3. Members are requested to bring their copy of the Annual Report to the meeting. Members/Proxies should also bring the printed attendance slip duly filled in for attending the meeting.
4. Members are requested to inform the Company of their queries, if any, regarding the accounts/report at least ten days before the date of the ensuing Annual General Meeting to enable the management to keep the information readily available at the meeting.

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

Item No. 3:

The Board of Directors appointed Mr. TY Prabhu (DIN: 02113527) as an Additional Director (in the category of Independent) of the Company on October 21, 2023. Pursuant to the provisions of Section 161 of the Companies Act, 2013 (“the Act”) he will hold office up to the date of the ensuing Annual General Meeting.

Further, the Board at its Meeting held on October 21, 2023, also appointed Mr. TY Prabhu as an Independent Director of the Company for the first term of 5 consecutive years from October 21, 2023, to October 20, 2028. Mr. TY Prabhu has furnished a declaration confirming that he satisfies the criteria of independence as required under Section 149(6) of the Companies Act, 2013. In addition, Mr. TY Prabhu has furnished the Fit and Proper criteria declaration as stipulated by the RBI Master Direction – Non Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

The Board considers that his association would be of immense benefit to the Company, and it is desirable to avail services of Mr. TY Prabhu as an Independent Director. Accordingly, the Board recommends the appointment of Mr. TY Prabhu as an Independent Director for a term of five consecutive years as above. As per explanation to Section 152(6), office of Independent Directors shall not be liable for retirement by rotation.

Except Mr. TY Prabhu, being the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3.

Item No.4:

The Board of Directors appointed Mr. MM Muralidharan Nair (DIN: 10171558) as an Additional Director (in the category of Independent) of the Company on October 21, 2023. Pursuant to the provisions of Section 161 of the Companies Act, 2013 (“the Act”) he will hold office up to the date of the ensuing Annual General Meeting.

Further, the Board at its Meeting held on October 21, 2023, also appointed Mr. MM Muralidharan Nair as an Independent Director of the Company for the first term of 5 consecutive years from October 21, 2023, to October 20, 2028. Mr. MM Muralidharan Nair has furnished a declaration confirming that he satisfies the criteria of independence as required under Section 149(6) of the Companies Act, 2013. In addition, Mr. MM Muralidharan Nair has furnished the Fit and Proper criteria declaration as stipulated by the RBI Master Direction – Non Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

The Board considers that his association would be of immense benefit to the Company, and it is desirable to avail services of Mr. MM Muralidharan Nair as an Independent Director. Accordingly, the Board recommends the appointment of Mr. MM Muralidharan Nair as an

Independent Director for a term of five consecutive years as above. As per explanation to Section 152(6), office of Independent Directors shall not be liable for retirement by rotation.

Except Mr. MM Muralidharan Nair, being the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4.

Item No. 5

The Board of Directors appointed Mr. Sandeep Arora (DIN: 10054127) as an Additional Director of the Company on October 21, 2023. Pursuant to the provisions of Section 161 of the Companies Act, 2013 ("the Act") he will hold office up to the date of the ensuing Annual General Meeting. In addition, Mr. Sandeep Arora has furnished the Fit and Proper criteria declaration as stipulated by the RBI Master Direction – Non Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

Further, the Board, on the recommendation of the Nomination and Remuneration Committee, at its Meeting held on June 27, 2024, approved the appointment of Mr. Sandeep Arora, as a Whole-time Director of the Company for a term of 5 years commencing from 27th June, 2024, with the remuneration payable to him for a period of three years with effect from 27th June, 2024 to 26th June, 2027, as per the terms and conditions detailed below:

1. **Tenure of Appointment:** 5 years with effect from June 27, 2024
2. **Remuneration for a period of three years:** The aggregate Cost to the Company shall be up to ₹ 1,50,00,000 (Rupees One Crore Fifty Lakhs Only) per annum. The annual increments will be decided by the Board based on the recommendation of the Nomination and Remuneration Committee (hereinafter called the "NRC") and will be performance based and consider the Company's performance as well, within the said maximum amount.

Minimum remuneration: Notwithstanding anything to the contrary contained herein, where, in any financial year during the currency of the tenure of Mr. Sandeep Arora, the Company has no profits or its profits are inadequate, Mr. Sandeep Arora shall be entitled to a minimum remuneration as detailed above subject to such revisions as may be approved by the Board from time to time.

The Board of Directors or Nomination and Remuneration Committee is authorized to fix, alter and/or vary from time to time the quantum/periodicity/composition of the remuneration payable to the Whole-Time Director, including the modes of payment, in such manner and to such extent not exceeding the limits as specified above.

The Whole-Time Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof.

3. **Terms & Conditions** – Other Terms & Conditions are as per the agreement between the Company and Mr. Sandeep Arora.

Keeping in view that Mr. Sandeep Arora has rich and varied experience in the Financial Services Industry and has been involved in the operations of the Company, it would be in the interest of the Company to appoint him as a Whole-time Director of the Company.

The disclosures as required under sub-clause (iv) of clause (B) of Section II of Part II of Schedule V of the Companies Act, 2013 as attached herewith as Annexure A to this Notice.

Your Board recommends the Special Resolution as set out in Item no. 5 for the approval of the Members.

Except Mr. Sandeep Arora, being the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5.

On behalf of the Board
For **Vridhi Finserv Home Finance Limited**
(Formerly Vridhi Finserv Limited)



Rishul Bhasin

Company Secretary and Chief Compliance Officer

M. No.: A71074

Address: 1st Floor, No. 38, GKR Sapthagiri Vaishtadhama,
12th Cross, Off CBI Road, Ganganagar,
Bangalore - 560032, Karnataka

Place: Bengaluru

Date: August 26, 2024

ANNEXURE A TO THE NOTICE

- i. The payment of remuneration was approved by the Nomination and Remuneration Committee and by the Board of Directors at their Meetings held on June 27, 2024.
- ii. The Company has not made any default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon or preference shares and dividend on preference shares for continuous period of thirty days in the preceding financial year before the date of his appointment.
- iii. Other particulars:

I. GENERAL INFORMATION

1.Nature of Industry	Housing Finance
2.Date or expected date of commencement of commercial production	Existing Company in operation since 2022
3.In case of new companies, expected date of commencement of activities as per project approved by the financial institute appearing in the prospectus	-Not applicable-
4.Financial performance based on given indicators	In the Financial Year 2023-24, the Company made a turnover of Rs. 1,142.07 lakhs and Loss of Rs. 633.02 lakhs.
5. Foreign investments or collaborators, if any	During the financial year 2023-24, Elevation Capital VIII Limited invested ₹1,49,61,62,367.36 (Rupees One Hundred Forty-Nine Crore Sixty-One Lakh Sixty-Two Thousand Three Hundred Sixty-Seven and Thirty-Six Paise Only) for 1,49,61,550 CCPS and 112 fully paid-up equity shares in the Company.

II. INFORMATION ABOUT THE APPOINTEE

PARTICULARS	Mr. Sandeep Arora
1. Background details	He has rich and varied experience in the Financial Services Industry and has been involved in the operations of the Company since inception.
2. Past Remuneration	Rs. 46.83 Lakhs per annum
3. Recognition or awards	More than 20 years of Credit, Risk & Analytics experience in BFSI sector including Housing Finance and unsecured business lines.
4. Job profile and his suitability	Credit, Risk & Analytics
5. Remuneration proposed	As stated in the explanatory statement at Item No. 5 of this Notice.
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The remuneration of Mr. Sandeep Arora is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and diverse nature of its business.
7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Mr. Sandeep Arora does not have any pecuniary relationship directly or indirectly with the company or with the other Managerial Personnel except to the extent of remuneration payable to him as Whole time Director of the Company and he holds 1,30,48,069 Equity Shares on fully diluted basis in the Company.

III.OTHER INFORMATION

1.Reason of loss or inadequate profits	The Company is in the building phase and has opened branches leading to increased manpower and hence losses.
2.Steps taken or proposed to be taken for improvements	With the anticipated growth in branch business, enhanced productivity, and a rise in Assets Under Management (AUM), the Company is expected to achieve profitability
3.Expected increase in productivity and profits in measurable terms	Implementing these initiatives and enhancing productivity through the training of FOS/CSM will contribute to improved branch profitability, more efficient resource utilization, and an increase in Assets Under Management (AUM).



ATTENDANCE SLIP

This attendance slip duly filled in to be handed over at the entrance of the meeting hall

Name of the attending Member (in block letters):

Members' Folio Number:

Client ID No:.....

D.P.ID No:

Name of the Proxy (in Block Letters, to be filled in if the proxy attends instead of the members):
.....

No. of Shares held:

I hereby record my presence at the Second (2nd) Annual General Meeting of the Members of Vridhi Finserv Home Finance Limited (formerly Vridhi Finserv Limited) will be held at 11:00 A.M. on Monday, September 02, 2024 at the Registered Office of the Company at 1st Floor, No. 38, GKR Sapthagiri Vaishtadhama, 12th Cross, Off CBI Road, Ganganagar, Bangalore - 560032, Karnataka.

To be signed at the time of handing

Signature of Member/Proxy

Form No. MGT-11

Proxy form

[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 ID:

Folio No/Client ID:

DP ID:

I/We, being the member (s) of shares of the above-named company, hereby appoint

1. Name:

Address:

E-mail Id:

Signature: _____ or failing him

2. Name:

Address:

E-mail Id:

Signature: _____ or failing him

3. Name:

Address:

E-mail Id:

Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Second (2nd) Annual General Meeting of the Members of Vridhi Finserv Home Finance Limited (formerly Vridhi Finserv Limited) will be held at 11:00 A.M. on Monday, September 02, 2024 at the Registered Office of the Company at 1st Floor, No. 38, GKR Sapthagiri Vaishtadhama, 12th Cross, Off CBI Road, Ganganagar, Bangalore - 560032, Karnataka transact the following businesses:

ORDINARY BUSINESS:

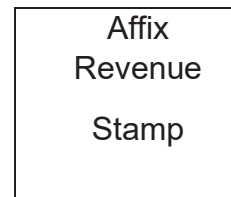
1. To receive, consider and adopt the Audited Financial Statements including Balance Sheet of the Company as at March 31, 2024 and the Statement of Profit and Loss for the year ended on that date together with the Board's Report and Independent Auditor's Report thereon.
2. To appoint a director in place of Mr. Sunku Ramnaresh (holding DIN: 09133395), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To appoint Mr. TY Prabhu (DIN: 02113527) as a Director and as an Independent Director of the Company.
4. To appoint Mr. MM Muralidharan Nair (DIN: 10171558) as a Director and as an Independent Director of the Company.
5. To appoint Mr. Sandeep Arora (DIN: 10054127) as a Director and Whole-Time Director of the Company.

Signed on this day of 2024

Signature of shareholder:



Signature of Proxy holder(s):

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ROUTE MAP

Address: 1st Floor, No. 38, GKR Sapthagiri Vaishtadhama, 12th Cross, Off CBI Road, Ganganagar, Bangalore, 560032, Karnataka, India

