Arman Financial Services Limited

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Date: March 06, 2018

To, BSE Limited Phiroze Jeejeebhoi Tower, Dalal Street, Mumbai–400001 **SCRIPT CODE: 531179**	To, National Stock Exchange of India Limited "Exchange Plaza" C-1, Block G, Bandra Kurla Complax, Bandra, Mumbai- 400051 **SYMBOL: ARMANFIN**

Dear Sir,

SUB: NOTICE OF THE EXTRA ORDINARY GENERAL MEETING

We are pleased to submit herewith Copy of Notice of the Extra Ordinary General Meeting of the Company to be held on 29.03.2018 at The Ahmedabad Textile Mills' Association (ATMA) Hall, Ashram Road, Ahmedabad 380009 at 10.00 a.m.

Kindly take it on your record.

Thanking you,

Yours faithfully,

For, Arman Financial Services Limited

Aalok Patel
Exe. Director
DIN-02482747

ARMAN FINANCIAL SERVICES LIMITED ★ AHMEDABAD

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; Fax: +91-79-2754 3666 | Email: finance@armanindia.com Website: www.armanindia.com
CIN: L55910GJ1992PLC018623

NOTICE

NOTICE IS HEREBY GIVEN THAT AN EXTRA-ORDINARY GENERAL MEETING OF THE MEMBERS OF ARMAN FINANCIAL SERVICES LIMITED WILL BE HELD AT THE AHMEDABAD TEXTILE MILLS' ASSOCIATION (ATMA) HALL, ASHRAM ROAD, AHMEDABAD, GUJARAT 380009 ON THURSDAY, 29TH MARCH 2018 AT 10:00 AM TO TRANSACT THE FOLLOWING SPECIAL BUSINESS:

ITEM No. 1:

RAISING OF FUNDS THROUGH ISSUE OF UNSECURED COMPULSORILY CONVERTIBLE DEBENTURES ON A PREFERENTIAL BASIS:

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

"RESOLVED THAT pursuant to the provisions of Section 23, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any amendments, statutory modification(s) or re-enactment thereof for the time being in force), the memorandum and articles of association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **("ICDR Regulations")** and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (collectively the "SEBI Regulations"), the Foreign Exchange Management Act, 1999, as amended, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended, and such statues, rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India, the Foreign Investment Promotion Board, the Reserve Bank of India, and subject to necessary compliance(s) in accordance with all other applicable laws, rules, regulations, circulars and guidelines and also subject to such further approvals, permissions, sanctions and consents as may be necessary and required from respective authorities prescribed thereunder, and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated under such approvals, permissions, sanctions, and consents as the case may be) which may be accepted by the Board of Directors of the Company (hereinafter referred to as **"Board"** which term shall include any duly constituted or to be constituted and authorized committee thereof to exercise its powers under the resolution), consent of the shareholders of the Company **("Shareholders")** be and is hereby accorded to create, offer, issue and allot, to SAIF Partners India V Limited or its affiliate(s) **("Investor")**, by way of preferential allotment on private placement basis, 16,66,667 (Sixteen Lakh, Sixty-Six Thousand, Six Hundred and Sixty-Seven Only) unsecured compulsorily convertible debentures of the Company (**"CCDs"**) having a face value of INR 300/- (Indian Rupees Three Hundred Only) with the aggregate amounts on such CCD (i.e. (a) the face value of INR 50,00,00,100 (Indian Rupees Fifty Crores, One Hundred Only); and (b) if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash) on such CCDs, not exceeding INR 6,71,25,000 (Indian Rupees Six Crores, Seventy One Lakh, Twenty Five Thousand Only)) being being convertible into ordinary equity shares of the Company (**"Conversion Shares"**) at a conversion price of 300/- (Indian Rupees Three Hundred Only) per equity share (appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger or any such capital or corporate restructuring), it being clarified that if the number of Conversion Shares calculated by dividing the aggregate amounts on the CCDs (i.e. face value and if the Investor chooses, also the aggregate accrued but unpaid coupon, net of withholding taxes in India and interest paid in cash, on such CCDs) being converted results in a number that is not an integral multiple of 1 (one), then it shall be rounded to the nearest multiple of one downwards and the fractions, if any, shall be ignored with corresponding amount for such fractions being refunded.

RESOLVED FURTHER THAT the Board be and is hereby authorised to offer, issue and allot requisite number of equity shares, not exceeding 18,90,417 (Eighteen Lakh, Ninety Thousand, Four Hundred and Seventeen only) equity shares, to the holders of CCDs upon conversion of (a) the CCDs; and (b) if the Investor chooses, also the aggregate accrued but unpaid coupon, net of withholding taxes in India and interest paid in cash, on such CCDs.

RESOLVED FURTHER THAT the said CCDs shall be issued and allotted by the Company to the Investor within a period of 15 (fifteen) days from the date of passing of this resolution provided that where the allotment of the said CCDs is pending on account of pendency of any approval(s) for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 (fifteen) days from the date of last such approval.

RESOLVED FURTHER THAT the CCDs being offered, issued and allotted to the Investor by way of a preferential allotment shall *inter alia* carry the following terms:

i. The CCDs and the equity shares issued upon: (a) conversion of the CCDs; and (b) if the Investor chooses, also the aggregate accrued but unpaid coupon, net of withholding taxes in India and interest paid in cash, on such CCDs, shall be in dematerialised form and shall be subject to the provisions of the memorandum and articles of association of the Company.

ii. The "Relevant Date" for the purpose of calculating the price of the Conversion Shares shall be 27th February 2018, being the date 30 (thirty) days prior to the date on which the meeting of Members is held to consider the proposed issuance of CCDs.

iii. The CCDs and equity shares issued upon (a) conversion of the CCDs; and (b) if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash) on such CCDs, shall be subject to lock-in as provided under the provisions of the SEBI Regulations. Subject to the aforesaid lock-in requirements, the CCDs and equity shares issued upon: (a) conversion of the CCDs; and (b) if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash); shall be freely transferable.

iv. The CCDs shall be unsecured.

v. The CCDs shall carry a coupon of 10% (Ten percent) simple interest per annum calculated on the basis of a 365 (three hundred sixty-five) day year and the actual number of days elapsed.

vi. The CCDs, and if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash) on such CCDs, shall be converted into equity shares on the earlier of following events:

   (i) Investor electing to convert the CCDs and if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash), into ordinary equity shares by issuing a conversion notice to the Company; and

   (ii) the last date falling within 18 (eighteen) months from the allotment of CCDs.

vii. The CCDs (i.e. the face value of the CCDs) and if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash) shall be convertible into ordinary equity shares at a conversion price of INR 300/- (Indian Rupees Three Hundred only), appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger or any such capital or corporate restructuring, it being clarified that if the number of equity shares calculated by dividing the aggregate amounts on the CCDs (i.e. aggregate face value, and if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash) being converted results in a number that is not an integral multiple of one (1), then it shall be rounded to the nearest multiple of one downwards and the fractions, if any, shall be ignored with corresponding amount for such fractions being refunded.

viii. The Company shall procure that the listing and trading approvals for the equity shares to be issued to the Investor are received from the relevant stock exchanges in accordance with the SEBI Regulations.

ix. The equity shares issued to the Investor shall rank pari passu with the then existing ordinary equity shares of the Company in all respects, including as to dividend and in the event of liquidation, as may be permissible under the applicable laws.

x. The CCDs shall rank *pari passu* with other series of compulsorily convertible debentures (if any) in respect of payment of coupon and in the event of liquidation, as may be permissible under the applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolutions, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable for such purpose, including but not limited to execution of various deeds, documents, writings, agreements, and also to modify, accept and give effect to any modifications therein and the terms and conditions of the issue, as may be required by the statutory, regulatory and other appropriate authorities and to settle all queries or doubts that may arise in the proposed issue, without being required to seek any further consent or approval of the shareholders.

RESOLVED FURTHER THAT subject to applicable laws, the Board be and is hereby also authorized to delegate, all or any of the powers herein conferred, to any Director(s) or officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the aforesaid resolutions."

ITEM No. 2:

AMENDMENT OF THE ARTICLES OF ASSOCIATION OF THE COMPANY:

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

"**RESOLVED THAT** pursuant to Section 5, Section 14 and other applicable provisions of the Companies Act, 2013, if any, and the rules framed thereunder (including in each case, any statutory modifications or re-enactment thereof), the consent and approval of the shareholders of the Company be and is hereby accorded to amend the existing articles of association of the Company **("Existing Articles")** by inserting the following provisions:

Article 131A

Right of the Investor to nominate the Investor Director:

As long as SAIF Partners India V Limited or its affiliate(s) continues to hold at least 5% (five percent) of the Company's share capital (computed on a fully diluted and converted basis), it shall have the right to nominate 1 (one) non-executive director on the board of directors of the Company (the **"Investor Director"**). Subject to applicable law, the Investor Director shall be reappointed on retirement by rotation."

Article 173A

The following matters shall be undertaken only with the unanimous approval of the members of the Board of Directors of the Company, by way of passing a resolution:

(1) Any change in the share capital of the Company, computed on a fully diluted and converted basis, including, any change through the issuance of equity shares or securities that may be convertible into equity shares of the Company;

(2) Any raising of debt by the Company which takes the debt:equity ratio of the Company above 6:1 but excluding subordinated debt; and

(3) Any change in the nature of business or commencement of any business other than businesses related to a non-banking financial company.

(4) In relation to any "material subsidiary" of the Company as such term is defined under the listing agreement entered into by the Company with the relevant stock exchange read with the Company's policy for determining "material" subsidiaries), the following matters shall not be undertaken without the unanimous approval of the Board of Directors of the Company by way of passing a resolution:

(i) Any change in the share capital of such material subsidiary, computed on a fully diluted and converted basis, including, any change through the issuance of equity share or securities that may be convertible into equity shares of such material subsidiary.

ii. Any raising of debt by such material subsidiary which takes the debt:equity ratio of such material subsidiary above 6:1 but excluding subordinated debt; and

iii. Any change in existing or related line of business carried on by such material subsidiary, or commencement of business by such material subsidiary, which is not the existing or related line of business carried on by such material subsidiary.

iv. The Company shall not (including through any decisions of the Board or a committee authorized thereof), and shall cause its material subsidiary(s) not to, take any action that is inconsistent with the provisions of this Article.

RESOLVED FURTHER THAT the approval of the shareholders is hereby granted for incorporating the entrenchment provisions in the existing articles in accordance with the applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolutions, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable for such purpose, including but not limited to execution of various deeds, documents, writings, agreements, and also to modify, accept and give effect to any modifications therein, as may be required by the statutory, regulatory and other appropriate authorities and to settle all queries or doubts that may arise in this regard, without being required to seek any further consent or approval of the shareholders.

RESOLVED FURTHER THAT subject to applicable laws, the Board be and is hereby also authorized to delegate, all or any of the powers herein conferred, to any Director(S) OR officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the aforesaid resolutions."

Place: Ahmedabad
Date: 5th March 2018

By Order of the Board

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

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

Notes:

1. **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.

2. 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.

3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend the meeting.

4. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, setting out all material facts relating to Items Nos. 1 and 2 of this Notice is annexed herewith and the same should be taken as part of this Notice.

5. All documents referred to in the notice and in the accompanying Explanatory Statement are available for inspection by Members on all working days except Saturdays, Sundays and public holidays, between 10.00 A.M. to 1.00 P.M. prior to the date of the Extraordinary General Meeting and will also be available for inspection at the Meeting.

6. The notice is being sent to all the members, whose names appeared in the Register of Members as on 26th February 2018 (**"Cut-off Date"**). The notice of general meeting and attendance slip are being sent in electronic mode to Members whose E-mail Id's 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 General Meeting and Attendance Slip are being sent to those Members who have not registered their E-mail Id's with the Company or Depository Participant(s).

7. This notice of the Extraordinary General Meeting of the members of the Company is also displayed/ posted on the website of the Company i.e. http://www.armanindia.com/announcement.aspx.

8. Members are requested to bring their attendance slip along with their copy of this Notice to the Meeting.

9. 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. a date not earlier than seven days before the date of the Meeting, are entitled to vote on the Resolutions set forth in this Notice.

   Members who have acquired shares after the dispatch of this notice 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. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

A. In case of members receiving e-mail:

a. Log on to the e-voting website: www.evotingindia.com

b. Click on "Shareholders" tab

c. Now, select the "ARMAN FINANCIAL SERVICES LIMITED" from the drop down menu and click on "SUBMIT"

d. 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.

e. Next enter the Image Verification as displayed and Click on Login.

f. 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.

g. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/mail) in the PAN Field
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field.

h. After entering these details appropriately, click on "SUBMIT" tab.

i. Members holding shares in physical form will then reach directly 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 also to be 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.

j. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

k. Click on the EVSN for the "ARMAN FINANCIAL SERVICES LIMITED".

l. 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.

m. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

n. 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.

o. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

p. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

q. 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).

r. If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

s. Note for Non – Individual Shareholders and Custodians

i. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporate.

ii. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com

iii. After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

iv. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

v. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

B. In case of members receiving the physical copy :

a. Please follow all steps from Sr. No. (a) to Sr. No. (q) above to cast vote.

b. The voting period begins on 09.00 a.m. on Monday, 26th March 2018 and will end at 05.00 p.m. on Wednesday, 28th March, 2018. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 22nd March 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

c. 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

C. 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 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 two days 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 result of the voting will be announced within forty-eight (48) hours after the conclusion of the meeting on the Company's website www.armanindia.com on the website of CDSL www.evotingindia.com and communicated to the Stock Exchanges.

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.

Explanatory Statement
Pursuant to Section 102 (1) of the Companies Act, 2013

Information provided under each item of special business to be transacted at a general meeting, set out the material facts concerning that item that may enable members to understand the meaning, scope and implications of the items of business to be transacted.

Item No.1
Raising of funds through Issue of Compulsorily Convertible Debentures on a Preferential Basis:

The Company and SAIF Partners India V Limited have executed a letter of intent which contemplates an investment of an aggregate amount of INR 50,00,00,100 (Indian Rupees Fifty Crore, One Hundred Only) in the Company by SAIF Partners India V Limited, or its affiliates, by way of subscription to 10% unsecured compulsorily convertible debentures (**CCDs**).

It is proposed to issue and allot 16,66,667 (Sixteen Lakh, Sixty-Six Thousand, Six Hundred and Sixty-Seven Only) CCDs having face value of INR 300/- (Indian Rupees Three Hundred Only) each, the face value of which and if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash), will be convertible into ordinary equity shares of the Company (**"Conversion Shares"**) at a conversion price of 300/- (Indian Rupees Three Hundred Only) per equity share, which is in compliance with the ICDR Regulations.

The Board of Directors, at their meeting held on 5th March, 2018 have (subject to the approval of the members and regulatory approvals) approved the proposal to issue the CCDs.

Other terms relating to issue of CCDs :

1. The issue and allotment of the CCDs so offered shall be in dematerialised form and equity shares issued upon the conversion of the CCDs if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash), shall, subject to receipt of necessary approvals, be listed and traded on the National Stock Exchange of India Limited and the BSE Limited and shall be subject to the provisions of the memorandum and articles of association of the Company.

2. The tenure of the CCDs shall not exceed 18 (eighteen) months from the date of their allotment.

3. The disclosures required pursuant to Regulation 73 of ICDR Regulations and the Companies Act, 2013, are as follows:

   (a) Objects of the preferential issue

   To meet the Company's requirement of working capital as well as capital expenditure to support business expansion, repayment of loan and investments by the Company

   (b) Total number of securities to be issued, price or price band at/within which the allotment is proposed, basis on which the price has been arrived at

   16,66,667 (Sixteen Lakh, Sixty-Six Thousand, Six Hundred and Sixty-Seven Only) CCDs having face value of INR 300/- (Indian Rupees Three Hundred Only) each, at par, carrying a coupon of 10% simple interest per annum, and having a term of 18 (eighteen) months from the date of allotment, each fully paid-up, are proposed to be issued against receipt of an aggregate amount of INR 50,00,00,100 (Indian Rupees Fifty Crore, One Hundred Only) from SAIF Partners India V Limited or its affiliates.

The CCDs, i.e. the face value, and if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash), shall be convertible into ordinary equity shares at a conversion price of INR 300/- (Indian Rupees Three Hundred only) per equity share, appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger or any such capital or corporate restructuring, it being clarified that if the number of equity shares calculated by dividing the aggregate amounts on the CCDs (i.e. aggregate face value, and if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash) being converted results in a number that is not an integral multiple of one (1), then it shall be rounded to the nearest multiple of one downwards and the fractions, if any, shall be ignored with corresponding amount for such fractions being refunded.

The conversion price of the equity shares to be allotted upon conversion of the CCDs and if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash), to the Investor have been arrived at taking into consideration the minimum floor price determined under the SEBI Regulations.

The price for the conversion of CCDs and if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash), into equity shares is INR 300/- (Rupees Three Hundred Only) which is higher than the minimum price computed as per the SEBI pricing formula for preferential issue, being higher of:

i the average of the high and low of the volume weighted average prices at National Stock Exchange of India Limited for 26 weeks prior to the Relevant Date i.e. 27th February, 2018 and

ii the average of the high and low of the volume weighted average prices at National Stock Exchange of India Limited for 2 weeks prior to the Relevant Date. i.e. 27th February, 2018

The price at which the equity shares are proposed to be allotted is higher than the minimum price

(c) Relevant date with reference to which the price has been arrived at:

The Relevant Date for determination of the price at which the CCDs and if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash), convert into equity shares of the Company, shall be 27th February 2018, which is the date 30 (thirty) days prior to the date on which the meeting of Members is held to consider the proposed issuance of CCDs.

(d) Proposal of the Promoters, Directors or Key Management Personnel of the Company to subscribe to the offer:

None of the promoters, directors or key management personnel of the Company has any intention to subscribe to the offer. This issue/offer is limited to the Investor on a preferential basis through a letter of

(e) Shareholding Pattern of the Company before and after the Preferential Issue

The pre-issue and post issue shareholding pattern of the Company as of 23rd February 2018 is as under:

Sr. No.	Category	Pre Issue As on 23/02/2018			Post Issue	
			No. of Shares held	% of Shares held	No. of Shares held	% of Shares held
1.	A	**Promoters' holding :**	-	-	-	-
2.	1	Indian :	-	-	-	-
3.		**IndividualBodies**	13,57,516	23.73	13,57,516	17.83
4.		**Corporate**	1,65,400	2.89	1,65,400	2.17
5.		**Sub-Total**	15,22,916	26.62	15,22,916	20.00
6.	2	Foreign Promoters	0	0	0	0
7.		**Sub-Total (A)**	**15,22,916**	**26.62**	**15,22,916**	**20.00**
8.	B	**Non-Promoters' holding :**				
9.	1	Institutional Investors	0	0	0	0
10.		Mutual Funds	0	0	0	0
11.		Financial Institution/Bank	2200	0.03	2200	0.03
12.		Foreign Portfolio Investors	4720	0.08	4720	0.06
13.		Central Government/ State Government(s)/President of India	1,13,681	1.98	1,13,681	1.49
14.	2	Non-Institution :	0	0	0	0
15.		Private Corporate Bodies	1,93, 563	3.39	1,93,563	2.54
16.		Directors and Relatives	0	0	0	0
17.		Indian Public	35,51,188	62.09	35,51,188	46.66
18.		Others (Including NRIs)	3,31,911	5.80	22,22,328	29.20
19.		**Sub-Total (B)**	**41,97,263**	**73.37**	**60,87,679**	**79.98**
20.		**GRAND TOTAL**	**57,20,179**	**100.00**	**76,10,596**	**100.00**

Note : *(1) Above does not include 12,04,474 (Twelve Lakh, Four Thousand, Four Hundred and Seventy-Four only) "Class A" Equity Shares carrying voting rights of 1 vote for every one lakh shares. These "Class A" shares are not listed as per terms of their issuance. (2) The post preferential allotment shareholding of the Investor has been calculated on a fully diluted and converted basis assuming conversion of face value and if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash) at the end of the full tenure of the CCDs.*

(f) Proposed time within which the preferential issue shall be completed:

Pursuant to Regulation 74(1) of the ICDR Regulations, the CCDs shall be allotted within a period of 15 (fifteen) days from the date of approval of the Members to the proposed preferential issue, provided that where the said allotment is pending on account of pendency of any approval for such allotment by any regulatory authority, the allotment shall be completed within a period of 15 (fifteen) days from the date of such approval

(g) Identity of the natural persons who are ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees:

Name of the proposed allottees and the percentage of the post preferential issue that may be held by them

Name of the Proposed Allottee	**Pre-Preferential Allotment**		**Post Preferential Allotment**		**The identity of the Natural persons**
					who are the ultimate beneficial owners or who ultimately control the proposed allottee
SAIF Partners India V Limited	*Number of Equity Shares*	*Shareholding Percentage*	*Number of Equity Shares*	*Shareholding Percentage*	
	Nil	Nil	18,90,417	24.84	Please see note below.

Note : *(1) The above does not take into account 12,04,474 (Twelve Lakh, Four Thousand, Four Hundred and Seventy-Four only) "Class A" Equity Shares carrying voting rights of 1 vote for every one lakh shares. These "Class A" shares are not listed as per terms of their issuance. (2) The post preferential allotment shareholding of the Investor has been calculated on a fully diluted and converted basis assuming conversion of face value and if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash) at the end of the full tenure of the CCDs.*

(h) Identity of the Identity of the natural persons who are ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees:

SAIF Partners India V Limited is a foreign body corporate. It is a Category 1 Global Business Licence company incorporated in the Republic of Mauritius and is authorised by the Financial Services Commission to operate as a Closed-End Fund. No natural person is entitled to more than 25% of shares or capital or profits of the company or exercises control over the company through other means.

The company and its affiliates are part of a USD 350 million fund with diverse investors like Pension Funds, Endowment Trusts, Foundations and Fund of Funds based primarily from the United States of America and Europe. None of the investors are based out of India. The Board of Directors of SAIF Partners India V Limited comprises of the following individuals: Mr. Ravi Chandra Adusumalli, Mr. Thirumagen Vaitilingon and Mr. Shafiiqr-Rahman Soyfoo

(i) Change in control, if any, in the Company that would occur consequent to the preferential issue:

There will be no change in control of the Company pursuant to the issuance of the CCDs to the Investor and consequent to issuance of equity shares by the Company to the Investor upon conversion of CCDs and if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash).

(j) 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:

Nil

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

Not applicable, as the allotment of the CCDs is proposed to be made is not for consideration other than cash.

(l) Undertaking by the Company under the provisions of Regulations 73(1)(f) and (g) of the ICDR Regulations

As the Company has been listed for a period of more than twenty six weeks prior to the Relevant Date, the provisions of Regulations 73(1)(f) and (g) of the ICDR Regulations are not applicable.

(m) Lock in

The CCDs and the equity shares to be allotted upon conversion of the face value and if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash), will be subject to applicable lock-in and transfer restrictions stipulated under Regulations 78 and 79 of the ICDR Regulations.

(n) Non-Disposal of Shares

The Investor has not sold any equity shares in the Company during the six months preceding the Relevant Date. The issue of CCDs is in accordance with the provisions of the memorandum and articles of association of the Company.

(o) Payment Terms

In accordance with Regulation 77 of the ICDR Regulations, the entire consideration determined in terms of Regulation 76 of the ICDR Regulations, shall be paid on or before the date of allotment of the CCDs.

(p) Listing :

The Company will make an application to the stock exchanges at which the existing shares are listed, for listing of the equity shares issued upon conversion of the CCDs if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash. The equity shares, once allotted, shall rank pari passu with the then existing equity shares of the Company in all respects, including dividend.

(q) Auditor's Certificate

The certificate issued by M/s Samir M. Shah & Associates, Chartered Accountants, Statutory Auditors of the Company as to the pricing of the equity shares to be issued upon conversion of (a) the CCDs; and (b) if the Investor chooses, also the aggregate accrued but unpaid coupon (net of withholding taxes in India and interest paid in cash) and certifying that the preferential issue is being made in accordance with the requirements contained in the SEBI Regulations, will be placed before the shareholders at the Meeting and will be kept open for inspection at the registered office of the Company between 11.00 am and 1.00 pm up to the date of shareholders Meeting on all working days (except Saturday, Sunday and Public Holiday).

In terms of Sections 42 and 71 of the Companies Act, 2013, approval of the shareholders by way of a special resolution is required to issue the CCDs by way of a preferential allotment on private placement basis. Hence, the Board recommends the resolution proposed at Item No.2 for your approval by way of a Special Resolution.

None of the directors or key managerial personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution, except to the extent of their respective shareholdings in the Company.

Item No. 2

With a view to strengthen the corporate governance practices of the Company and its subsidiary, it is proposed to implement certain enhanced corporate governance measures by way of including provisions for entrenchment in the Articles of Association of the Company. Further, in connection with the subscription to the CCDs by the Investor as stated above, an entitlement is proposed to be provided to the Investor to nominate 1 (one) non-executive director for appointment on the Board. Such entitlement shall commence on and from the date of subscription to CCDs by the Investor and shall be available to the Investor, so long as it continues to hold at least 5% (five percent) of the Company's share capital (computed on a fully diluted and converted basis). The articles of association of the Company are proposed to be amended to incorporate the above understanding.

In terms of Section 5 of the Companies Act, 2013, approval of the shareholders by way of a special resolution is required for including provisions for entrenchment in the Articles of Association. Further, as per Section 14 of the Companies Act, 2013, for alteration of the Articles of Association of the Company, approval of the shareholders by way of a special resolution is required. The Board recommends the resolution proposed at Item No. 3 for your approval by way of a Special Resolution.

None of the directors or key managerial personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution, except to the extent of their respective shareholdings in the Company.

Place: Ahmedabad
Date: 5th March 2018

By Order of the Board

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

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

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; Fax: +91-79-2754 3666 | Email: finance@armanindia.com Website: www.armanindia.com
CIN: L55910GJ1992PLC018623

ATTENDANCE SLIP

Extraordinary General Meeting

Thursday, March 29, 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 Extraordinary General Meeting of the Company held on Thursday, 29th March, 2018 as at 10.00 am 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

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

ROUTE MAP

TO THE VENUE OF THE EXTRAORDINARY GENERAL MEETING

Venue distance from

Railway Station: 4 Kms | **Airport:** 10 Kms

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; Fax: +91-79-2754 3666 | Email: finance@armanindia.com Website: www.armanindia.com
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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extraordinary General Meeting of members of the Company, to be held on Thursday, 29th March, 2018 at 10.00 am 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	Raising of funds through issue of unsecured Compulsorily Convertible Debentures on a preferential basis
2	Amendment of the Articles of Association of the Company

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.