

**NOTICE**

Notice is hereby given that an Extra-ordinary General Meeting of the Members of **AYE FINANCE PRIVATE LIMITED** will be held on Friday, the 1st day of September 2023 at 3:00 P.M. through Video conferencing or Other Audio Visual Mode (OAVM) and shall be deemed to be held at corporate office of the Company situated at 7th Floor, Unitech Commercial Tower 2, Sector-45, Gurgaon, Haryana.

**SPECIAL BUSINESSES:**

- 1. To approve the appointment of Mr. Govinda Rajulu Chintala (DIN – 03622371) as an Independent Director of the Company for a term of five consecutive years and in this connection, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149(10), 150 and 152 of the Companies Act, 2013 read with Schedule IV of the Companies Act, 2013 and the Companies (Amendment) Act, 2017 (‘Act’) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and basis the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Govinda Rajulu Chintala (DIN – 03622371), Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director on the Board of the Company, not liable to retire by rotation for a second term of five consecutive years commencing from 1<sup>st</sup> September, 2023 till 31<sup>st</sup> August, 2028.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149 and Section 197(5) of the Companies Act, 2013 read with Schedule IV of thereof (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Govinda Rajulu Chintala (DIN – 03622371), be paid sitting fees within the limits prescribed under the Act and Rules thereunder and as approved by the Board of Directors of the Company, for attending the meeting(s) of the Board or any Committees thereof and arrangement for participation in the board and other meetings.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Mr. Sanjay Sharma, Managing Director of the Company be and is hereby authorized to issue a formal letter of appointment with detailed terms and conditions of the appointment of Independent Director and the Board, Company Secretary and Chief Financial Officer of the Company be and are hereby severally authorized to do all such acts, deeds and things as it may be deemed necessary in this regard, including filing of necessary statutory forms with Registrar of Companies, Ministry of Corporate Affairs, as may be required from time to time.”

- 2. To approve the appointment of Mr. Sanjaya Gupta (DIN – 02939128) as an Independent Director of the Company for a term of five consecutive years and in this connection, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149(10), 150 and 152 of the Companies Act, 2013 read with Schedule IV of the Companies Act, 2013 and the Companies (Amendment) Act,

2017 ('Act') and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and basis the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Sanjaya Gupta (DIN – 02939128), Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director on the Board of the Company, not liable to retire by rotation for a second term of five consecutive years commencing from 1<sup>st</sup> September, 2023 till 31<sup>st</sup> August, 2028.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149 and Section 197(5) of the Companies Act, 2013 read with Schedule IV of thereof (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Sanjaya Gupta (DIN – 02939128), be paid sitting fees within the limits prescribed under the Act and Rules thereunder and as approved by the Board of Directors of the Company, for attending the meeting(s) of the Board or any Committees thereof and arrangement for participation in the board and other meetings.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Mr. Sanjay Sharma, Managing Director of the Company be and is hereby authorized to issue a formal letter of appointment with detailed terms and conditions of the appointment of Independent Director and the Board, Company Secretary and Chief Financial Officer of the Company be and are hereby severally authorized to do all such acts, deeds and things as it may be deemed necessary in this regard, including filing of necessary statutory forms with Registrar of Companies, Ministry of Corporate Affairs, as may be required from time to time.”

3. **To approve the appointment of Ms. Kanika Tandon Bhal (DIN – 06944916) as an Independent Director of the Company for a term of five consecutive years and in this connection, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149(10), 150 and 152 of the Companies Act, 2013 read with Schedule IV of the Companies Act, 2013 and the Companies (Amendment) Act, 2017 ('Act') and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and basis the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Ms. Kanika Tandon Bhal (DIN – 06944916) Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director on the Board of the Company, not liable to retire by rotation for a second term of five consecutive years commencing from 1<sup>st</sup> September, 2023 till 31<sup>st</sup> August, 2028.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149 and Section 197(5) of the Companies Act, 2013 read with Schedule IV of thereof (including any statutory modification(s) or re-enactment thereof, for the time being in force), Ms. Kanika Tandon Bhal (DIN – 06944916) ,be paid sitting fees within the limits prescribed under the Act and Rules thereunder and as approved by the Board of Directors of the Company, for attending the meeting(s) of the Board or any Committees thereof and arrangement for participation in the board and other meetings.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Mr. Sanjay Sharma, Managing Director of the Company be and is hereby authorized to issue a formal letter of appointment with detailed terms and conditions of the appointment of Independent Director and the Board, Company Secretary and Chief Financial Officer of the Company be and are hereby severally authorized to do all such acts, deeds and things as it may be deemed necessary in this regard, including filing of necessary statutory forms with Registrar of Companies, Ministry of Corporate Affairs, as may be required from time to time."

**4. To consider and, if thought fit, to pass, with or without modification(s), the following resolutions as a Special Resolution for amendment of Articles of Association of the company:**

"**RESOLVED THAT** pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, unanimous consent of the members be and are hereby accorded to the proposed amendments to the Articles of Association of the Company, as placed before the members.

Amendments proposed are –

**1. Article-21.8 Quorum for Board meeting-**

Quorum for the Board meeting is proposed to 1 one investor director along with 1 Independent Director and Founder Director subject to Investor Protection Matter.

**2. Article- 21.2.13 Chairman of the Board-**

Chairman of the Board shall be appointed by the Board/shareholder as per the applicable law, and the chairman shall not have a second or a casting vote

**3. Insertion of new Article- 21.2.14 Nominee Director-**

- (a) The Debenture Trustee shall have a right to appoint a nominee director, in accordance with the Debenture Trustees Regulations, on the board of directors of the Company (hereinafter referred to as the "**Nominee Director**") upon the occurrence of any of the following:
- (i) 2 (two) consecutive defaults in the payment of interest to the Debenture Holders;
  - (ii) any default in creation of security for the Debentures; or
  - (iii) any default on the part of the Company in redemption of the Debentures.
- (b) The Nominee Director shall not be liable to retire by rotation nor required to hold any qualification shares.
- (c) The Company shall appoint the Nominee Director forthwith on receiving a nomination notice from the Debenture Trustee, and in any case, within the timelines prescribed under the SEBI NCS Regulations and Applicable Law.

- (d) If so required, the Company shall take all steps necessary to amend its articles of association, to give effect to this, within the timelines prescribed under the SEBI NCS Regulations and Applicable Law.

#### 4. Insertion of definitions-

"**Debenture Holders**" who subscribe to Debentures issued by the Company and for any subsequent Debenture Holders, each person who is:

- (a) registered as a Beneficial Owner; and
- (b) registered as a debenture holder in the Register of Debenture Holders.

Sub-Clauses (a) and (b) shall be deemed to include transferees of the Debentures registered with the Company and the Depository from time to time, and in the event of any inconsistency between sub-Clauses (a) and (b) above, sub-Clause (a) shall prevail.

"**Debenture Trustee**" is registered with the Securities and Exchange Board of India ("SEBI") as a debenture trustee under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (as amended, modified or restated from time to time, the "Debenture Trustees Regulations" or the "SEBI Debenture Trustees Regulations")

"**SEBI NCS Regulations**" means the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 together with the Listed NCDs Master Circular, as amended, modified or restated from time to time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, Mr. Sanjay Sharma, Managing Director and Ms. Tripti Pandey, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and settle any or all questions/ matters arising with respect to the amendment of the Articles of Association and make all necessary filings and intimations to the Registrar of Companies and other appropriate authorities, and to give, from time to time, such directions as may be necessary, expedient, usual or proper."

#### By Order of Board

For Aye Finance Private Limited



Tripti Pandey  
Company Secretary  
M. No.- 32760



Place: Gurugram

Date: 10<sup>th</sup> August, 2023

**NOTES:**

- (a) Ministry of Corporate Affairs ("MCA") vide its General Circular No. 10/2022 DATED 28th December 2022, General Circular No. 20/2020 dated 5th May 2020, 2/ 2021 dated 13th January, 2021, 21/ 2021 dated 14th December, 2021, 2/ 2022 dated 5th May, 2022 issued by the Ministry of Corporate Affairs ("MCA Circulars"), AGM can be conducted via Video Conferencing (VC) (through Zoom Meeting)/ Other Audio Visual (OAVM), without the physical presence of the Shareholders at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013, the AGM of the Company will be held through Audio Visual Means (through Zoom meeting) or Other Audio-Visual Means (OAVM). The deemed venue for this meeting shall be the Registered Office of the Company i.e. Unit No. -701-711, 7th Floor, Unitech Commercial Tower-2, Sector-45, Arya Samaj Road, Block B, Greenwood City, Gurgaon Haryana,122003.
- (b) In compliance with circulars issued by the Ministry of Corporate Affairs dated April 8, 2020 and April 13, 2020 pertaining to clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and rules made thereunder, there is no requirement of appointment of proxy for this EGM. Since EGM under this framework will be held through Audio Visual Means (through Zoom meeting) or other audio-visual means, the facility to appoint proxy to attend and cast vote for the Members is not available for this Extra Ordinary General Meeting.
- (c) An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, including the details of the Director seeking re-appointment is annexed hereto and forms part of Notice.
- (d) Members are requested to intimate change in email address to the Company Secretary at [tripti.pandey@ayefin.com](mailto:tripti.pandey@ayefin.com).
- (e) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the Extra Ordinary General Meeting has been uploaded on the website of the Company at [www.ayefin.com](http://www.ayefin.com).
- (f) All documents referred to in the Notice will be available for inspection in electronic form on the day of the meeting.
- (g) The members can participate in the EGM by installing Zoom software in their computer systems (from the link given below) and dialling Meeting ID and password-

Join Zoom Meeting

<https://us06web.zoom.us/j/82558148287?pwd=THpJNjM5ek1NL3ZKcDR2Zk9za0ltdz09>

Meeting ID: 825 5814 8287

Passcode: 048148

- (h) For any IT related issues, please contact:  
Mr. Deepak Prajapati

Ph. No- +91-9540981064

Mr. Prem Prakash

Ph. No. +91-8448488790

- (i) The facility for joining the meeting shall be kept open at least 15 minutes before and close after 15 minutes of the scheduled time.
- (j) Members are requested to submit their queries in advance/ e-voting (in case of poll) to below mentioned persons through mail:

Name- Tripti Pandey

Designation- Company Secretary

Mail id- tripti.pandey@ayefin.com

Ph- +91-8826299069

- (k) Corporate members intending to send their authorized representatives to attend the meeting are advised to send a duly certified copy of the board resolution authorizing their representatives to attend and vote at the meeting.
- (l) The venue of the meeting as aforesaid shall be the place where all the recordings of the proceedings at the meeting will be made.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**ITEM NO. 1: APPOINTMENT OF MR. GOVINDA RAJULU CHINTALA AS AN INDEPENDENT DIRECTOR OF THE COMPANY:**

The Board of Directors had proposed the appointment of Mr. Govinda Rajulu Chintala as an Independent Director of the Company subject to approval of the Members of the Company. Further, the Board approved the appointment of Mr. Govinda Rajulu Chintala as an Independent Director of the Company in their meeting held on 10th August 2023 to hold office for a term of 5 consecutive years. Accordingly, the tenure of Mr. Govinda Rajulu Chintala, as an Independent Director will expire on 31<sup>st</sup> August 2028.

In terms of provisions of section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company shall recommend to the Board of the Directors, the appointment of a Director.

In terms of provisions of section 149(10) of the Companies Act, 2013, an independent director shall hold office for a term up to five consecutive years on the Board of a Company but shall be eligible for appointment on passing of a special resolution by the Shareholders of the Company and disclosure of such appointment in the Board's report.

The Company has received the consent from Mr. Govinda Rajulu Chintala to act as the Director in the prescribed Form DIR-2 under Section 152(5) of the Act and Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 along with the declaration on criteria of Independence as per Section 149(6) of the Act.

**Brief Profile of Mr. Govinda Rajulu Chintala-**

Dr G R Chintala was Chairman of National Bank for Agriculture and Rural Development (NABARD), the Apex Development Financial Institution of the country during May 2020 to July 2022. He was also the Chairman of NABARD Consultancy Services (NABCONS) Ltd., NABVENTURE Ltd. and NABFOUNDATION, Nab Sanrakshan Ltd. He was on the Board of prestigious institutions like Institute for Rural Management (IRMA), DICGC and on the Advisory Board of IIM-Ahmedabad. He also headed APRACA (Asia Pacific Rural and Agricultural Credit Association), a prestigious International organization based out of Bangkok as its Chairman.

After his graduation from the prestigious agriculture college, Bapatla, Dr Chintala did his Post Graduation in Seed Science and Technology from the world-renowned Indian Agricultural Research Institute, New Delhi. He joined NABARD as an officer and over the last three and a half decades, has worked in various capacities at NABARD, Head Office in Mumbai and its Regional Offices including Hyderabad, Chandigarh, Lucknow, Andaman & Nicobar Islands, New Delhi and Bengaluru. Over his vast experience of 35 years, he has donned many hats including as a Trainer / Faculty for 5 years. Prior to taking over as Chairman, He was the Managing Director of NABARD Financial Services (NABFINS) Ltd., Bangalore, the microfinance-lending subsidiary of NABARD. He was also the Director of Bankers Institute of Rural Development (BIRD), Lucknow, one of the Premier institutes of the Developing World which offers Training, Research and Consultancy services in the field of agriculture and rural development banking for clients from India and abroad. Shri Chintala was also a Director on the Board of Agriculture Insurance Company (AIC) as also on the board of several RRBs/State Cooperative Banks across the country and National level NBFCs of GOI. In all Dr Chintala had more than 20 years of experience as Director on various boards.

As Chairman of NABARD from May 2020, Dr Chintala had institutionalised far-reaching initiatives viz., concessional refinance to all activities in Watershed areas, Concessional refinance to banks & MFIs on WASH (Water, Sanitation & Hygiene) which got Golden Globe Award to NABARD. Dr Chintala had also introduced "My Pad My Right", a gender sensitive sanitary pad making by SHG women in 27 districts of the country, Integrating Agri Infra Fund with Concessional refinance to promote rural godowns through PACS (which Hon'ble PM) had launched recently. Dr Chintala promoted Food Processing Parks & Clusters in various states, joined ONDC platform to promote SHG & FPO products in e-commerce. Promoted Off-Farm Producers Organisations (OFPOs) in various states even in far-flung areas like Ladakh to give fillip to Pashmina wool.

During the most tumultuous COVID period, he spearheaded NABARD to greater heights taking the B/s to Rs 7.57 lakh cr (2022) from Rs 5.25 lakh cr (2020) with a cumulative 43% growth rate and with an all-time high profit. As part of his official engagements, Dr Chintala had travelled extensively and visited more than 20 countries including USA, China, UK, France, Germany, Switzerland, Italy, Bolivia, Brazil, Peru, Kenya, Senegal, Uganda, Ghana, South Africa, Indonesia, Bangladesh, Thailand, Nepal, Curacao etc. for presenting papers on various topics and other assignments covering agriculture and rural development.

Further, as the roles and responsibilities of Independent Directors have undergone significant changes demanding greater involvement in the supervision of the Company, it is proposed that the Mr. Govinda Rajulu Chintala be paid sitting fees, within the limits prescribed under the Act and Rules

thereunder and as approved by the Board of Directors of the Company, for attending the meeting(s) of the Board or any Committee thereof.

Except Mr. Govinda Rajulu Chintala, the appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

**ITEM NO. 2: APPOINTMENT OF MR. SANJAYA GUPTA AS AN INDEPENDENT DIRECTOR OF THE COMPANY:**

The Board of Directors had proposed the appointment of Mr. Sanjaya Gupta as an Independent Director of the Company subject to approval of the Members of the Company. Further, the Board approved the appointment of Mr. Sanjaya Gupta as an Independent Director of the Company in their meeting held on 10<sup>th</sup> August 2023 to hold office for a term of 5 consecutive years. Accordingly, the tenure of Mr. Sanjaya Gupta, as an Independent Director will expire on 31<sup>st</sup> August 2028.

In terms of provisions of section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company shall recommend to the Board of the Directors, the appointment of a Director.

In terms of provisions of section 149(10) of the Companies Act, 2013, an independent director shall hold office for a term up to five consecutive years on the Board of a Company but shall be eligible for appointment on passing of a special resolution by the Shareholders of the Company and disclosure of such appointment in the Board's report.

The Company has received the consent from Mr. Sanjaya Gupta to act as the Director in the prescribed Form DIR-2 under Section 152(5) of the Act and Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 along with the declaration on criteria of Independence as per Section 149(6) of the Act.

**Brief Profile of Mr. Sanjaya Gupta-**

A banking professional with 35+ years of extensive experience in leading high performing professional teams. Entrusted to strategize business plans, launch, establish, expand, and reposition strong retail and corporate finance brands - in domestic (India) and international markets. Specialization: development finance (retail and corporate), business process re-engineering, technology/ digital transformation, attracting and nurturing entrepreneurial professional teams, raising institutional debt and equity, leading due diligence exercise for institutional investors, board of directors' management, corporate governance and compliance. Have demonstrated impactful leadership qualities marrying strategy with operational robustness in crowded and mature markets. Domain Expert: collaborating with regulators/ government agencies for policy intervention – Mortgage Guarantee regulations, Housing for All, Affordable Housing, Credit Linked Interest Subsidy (PMAY) and Mortgage based Securities (MBS). IFC & ADB effectively utilize expertise in other developing economies of southeast and central Asia. The PNB HFL turnaround story - 'Switch' published by Bloomsbury, has generated significant interest within the financial sector community in the Asia Pacific region and leading business management schools e.g. Harvard Business School. Have been recognized as the 'Most Promising Leader of Asia 2018-19' - the Economic Times. He has been



associated with following organisations-

- Independent Director, Consultant, Angel Investor & Mentor (February 2021 – till date)
- International Expert – Asian Development Bank (June 2020 – January 2021)
- MD & CEO – PNB Housing Finance Limited (June 2010 – May 2020)
- Co-founder & non-executive chairman of the Board of Directors – India Shelter Finance Corporation Limited (September 2009- December 2019)
- Designate MD & CEO – JV AIG Inc., IFC, ADB, NHB (June 2007-August 2009)
- Vice President - ABN AMRO Bank N.V. - Global Mortgage Operations Head (January 2005- May 2007) and India Business Head Mortgages (January 2003- December 2005)
- Dy GM – HDFC Ltd. - Head Distribution and Business Development (May 1987 - December 2002)

Except Mr. Sanjaya Gupta, the appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

### **ITEM NO. 3: APPOINTMENT OF MS. KANIKA TANDON BHAL AS AN INDEPENDENT DIRECTOR OF THE COMPANY:**

The Board of Directors had proposed the appointment of Ms. Kanika Tandon Bhal as an Independent Director of the Company subject to approval of the Members of the Company. Further, the Board approved the appointment of Ms. Kanika Tandon Bhal as an Independent Director of the Company in their meeting held on 10th August 2023 to hold office for a term of 5 consecutive years. Accordingly, the tenure of Ms. Kanika Tandon Bhal, as an Independent Director will expire on 31<sup>st</sup> August, 2028

In terms of provisions of section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company shall recommend to the Board of the Directors, the appointment of a Director.

In terms of provisions of section 149(10) of the Companies Act, 2013, an independent director shall hold office for a term up to five consecutive years on the Board of a Company but shall be eligible for appointment on passing of a special resolution by the Shareholders of the Company and disclosure of such appointment in the Board's report.

The Company has received the consent from Ms. Kanika Tandon Bhal to act as the Director in the prescribed Form DIR-2 under Section 152(5) of the Act and Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 along with the declaration on criteria of Independence as per Section 149(6) of the Act.

#### **Brief Profile of Ms. Kanika Tandon Bhal-**

Prof. Kanika T. Bhal is Modi Chair Professor at the Department of Management Studies at IIT Delhi. A Ph D from IIT Kanpur and a visiting fellow at Sloan School of Management, she is an expert in behavioural sciences in general and leadership in particular. She has published over 100 articles in national and international journals and conferences and is on the editorial boards of national and international journals. She has authored books on leadership, culture and ethics. She has done

sponsored research for several nationally and internationally funded (with Fordham University and Wharton Business School) projects. Besides being a consultant to various organizations like Fifth Central Pay Commission of India, First National Judicial Pay Commission of India, DRDO, UPSC, DGS&D, Ministry of Rural Development, NICD and Ministry of Environment and Forests, she is invited as an expert on Government Committees and is a member of the Academy of Management, USA, Society for Industrial Organization and Psychology and Global Institute of Flexible Systems Management.

She has been conferred with several awards such as Best Professor in Management by Headlines Today 2013, Dr. Hari Singh Gaur Award for excellent Work in Management Education by IES Group of Institutions, Bhopal 2009, Excellence in Teaching Award by IIT Delhi. Professor Bhal is given the honor of Professor Honorable by Tshwane Institute of Technology, South Africa. She delivered the prestigious Vice Chancellor's lecture on Ethics, Business & Society at Tshwane University of Technology, South Africa in May 2017. She has been appointed as ICCR Chair Professor at Simon Fraser University, Canada from August to December 2017.

Further, as the roles and responsibilities of Independent Directors have undergone significant changes demanding greater involvement in the supervision of the Company, it is proposed that the Mr. Kanika Tandon Bhal be paid sitting fees, within the limits prescribed under the Act and Rules thereunder and as approved by the Board of Directors of the Company, for attending the meeting(s) of the Board or any Committee thereof.

Except Ms. Kanika Tandon Bhal, the appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

#### **ITEM NO. 4: AMENDMENT IN ARTICLES OF ASSOCIATION OF THE COMPANY:**

The Board of Directors at their meeting held on 10<sup>th</sup> August, 2023 considered following amendments in the Articles of Association (AOA) of the Company-

##### **1. Article-21.8 Quorum for Board meeting-**

Quorum for the Board meeting is proposed to 1 one investor director along with 1 Independent Director and Founder Director subject to Investor Protection Matter.

##### **2. Article- 21.2.13 Chairman of the Board-**

Chairman of the Board shall be appointed by the Board/shareholder as per the applicable law, and the chairman shall not have a second or a casting vote

##### **3. Insertion of new Article- 21.2.14 Nominee Director-**

- (a) The Debenture Trustee shall have a right to appoint a nominee director, in accordance with the Debenture Trustees Regulations, on the board of directors of the Company (hereinafter referred to as the "**Nominee Director**") upon the occurrence of any of the following:

- (i) 2 (two) consecutive defaults in the payment of interest to the Debenture Holders;
  - (ii) any default in creation of security for the Debentures; or
  - (iii) any default on the part of the Company in redemption of the Debentures.
- (b) The Nominee Director shall not be liable to retire by rotation nor required to hold any qualification shares.
  - (c) The Company shall appoint the Nominee Director forthwith on receiving a nomination notice from the Debenture Trustee, and in any case, within the timelines prescribed under the SEBI NCS Regulations and Applicable Law.
  - (d) If so required, the Company shall take all steps necessary to amend its articles of association, to give effect to this, within the timelines prescribed under the SEBI NCS Regulations and Applicable Law.

**4. Insertion of definitions-**

**"Debenture Holders"** who subscribe to Debentures issued by the Company and for any subsequent Debenture Holders, each person who is:

- (c) registered as a Beneficial Owner; and
- (d) registered as a debenture holder in the Register of Debenture Holders.

Sub-Clauses (a) and (b) shall be deemed to include transferees of the Debentures registered with the Company and the Depository from time to time, and in the event of any inconsistency between sub-Clauses (a) and (b) above, sub-Clause (a) shall prevail.

**"Debenture Trustee"** is registered with the Securities and Exchange Board of India ("SEBI") as a debenture trustee under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (as amended, modified or restated from time to time, the "Debenture Trustees Regulations" or the "SEBI Debenture Trustees Regulations")

**"SEBI NCS Regulations"** means the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 together with the Listed NCDs Master Circular, as amended, modified or restated from time to time.

The provisions of the Companies Act, 2013 require the Company to seek the approval of the Members/shareholders by passing special resolution for amendment of articles of association of the Company. However, the Board recommends the relevant resolutions for the approval of the Members/shareholders by way of a unanimous resolution.

None of the Directors/key managerial personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution no. 4 set out in the Notice.

**By Order of Board**

For Aye Finance Private Limited



Tripti Pandey  
Company Secretary  
M. No.- 32760



**Place: Gurugram**

**Date: 10<sup>th</sup> August, 2023**