



VEEFIN SOLUTIONS LIMITED

(Formerly known as Veefin Solutions Pvt Ltd)

Regd. Office: Off No - 601, 602 & 603, Neelkanth Corporate IT Park, Vidyavihar (W), Mumbai 400086.

Email id: investors@veefin.com, **CIN:** U72900MH2020PLC347893, **Phone:** 09004917712

POSTAL BALLOT NOTICE

[Notice pursuant to Section 110 of the Companies Act, 2013, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and applicable MCA Circulars (as defined below)]

Dear Member(s),

NOTICE ("Notice" or "Postal Ballot Notice") is hereby given pursuant to Section 108, 110 of the Companies Act, 2013 ("Act" / "Companies Act") other applicable provisions of the Act, read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India, as amended and other applicable laws and regulations (including any statutory modification or re-enactment thereof) read with General Circular No. 14/2020 dated 8th April, 2020, General Circular No.17/2020 dated 13th April, 2020, General Circular No. 22/2020 dated 15th June, 2020, General Circular No. 33/2020 dated 28th September, 2020, General Circular No. 39/2020 dated 31st December, 2020, General Circular No. 02/2021 dated 13th January, 2021, General Circular No. 10/2021 dated 23rd June, 2021, General Circular No. 20/2021 dated 8th December, 2021, General Circular No. 03/2022 dated 5th May, 2022, General Circular No. 11/2022 dated 28th December, 2022 and General circular No. 09/2023 dated 25th September, 2023 issued by the Ministry of Corporate Affairs (hereinafter collectively referred to as "MCA Circulars") and SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by SEBI for seeking consent of the shareholders / members of Veefin Solutions Limited ("the Company" or "Veefin") ("Members"), to pass the proposed resolutions mentioned below as a Special Resolution through Postal Ballot by way of remote electronic voting ("E-voting").

An explanatory statement pursuant to Sections 102, 110 and other applicable provisions, if any, of the Act, pertaining to the resolution setting out the material facts and reasons thereof, is appended to this Postal Ballot Notice.

Pursuant to Rule 22(5) of the Companies (Management and Administration) Rules, 2014, the Company has appointed Mr. Maharshi Ganatra, (Membership No. F11332) of M/s. Maharshi Ganatra & Associates, Practising Company Secretary, as the Scrutinizer for conducting the postal ballot through e-voting process in a fair and transparent manner and the Company has engaged National Securities Depository Limited (NDSL) for facilitating the remote e-voting facility. The remote e-voting period commences on Saturday, October 21, 2023 (9.00 AM Indian Standard Time) and ends on Sunday, November 19, 2023 (5.00 PM Indian Standard Time) and the e-voting module will be disabled / blocked after 5.00 PM on Sunday, November 19, 2023 i.e. voting shall not be allowed beyond the said date and time. The cut-off date for the purpose of determining eligibility of members for voting has been fixed as Friday, October 13, 2023.

The Scrutinizer, after completion of scrutiny, will submit his report to the Chairman or any Director or in their absence to the Company Secretary of the Company, as may be authorized by the Board in this regard. The result of the Postal Ballot will be announced by the Chairman or any person authorised by the Chairman in writing on or before November 21, 2023. The results, together with the Scrutinizer's report, will be displayed at the registered office and on the website of the Company i.e., www.veefin.com besides being communicated to BSE Limited on which the equity shares of the Company are listed.

The members of the Company are hereby informed that, Ministry of Corporate Affairs and SEBI LODR Regulations through their respective circulars, has allowed the companies to send notice only by e-mail to its shareholders who

have registered their e-mail address with the company or depository participant/ Registrar & Transfer Agents (RTA). Accordingly, this notice is being sent only by e-mail to the members of the Company who have registered their e-mail address with the Company or depository participant/ Registrar & Transfer Agents (RTA) as on the cut-off date i.e. Friday, October 13, 2023. In view of enabling provisions of the MCA Circulars, hard copy of this notice, postal ballot form and postage pre-paid reply envelope are not sent to the members and the members are requested to convey their assent or dissent only through remote e-voting. The remote e-voting facility is available at www.evoting.nsdl.com being the e-voting platform of National Securities Depository Limited (NSDL). If your e-mail address is not so registered, you are requested to follow the process specified in the notes below to receive login ID/password for remote e-voting.

Members may note that the Notice of the Postal Ballot will also be available on the Company's website www.veefin.com, website of the Stock Exchange i.e. BSE Limited at www.bsesme.com and on the website of NSDL www.evoting.nsdl.com. Members are requested to read carefully the instructions for remote e-voting given in the Notes forming part of this Notice.

SPECIAL BUSINESS:

1. Approval for giving loan or guarantee or providing security in connection with loan availed by any of the Company's Subsidiary(ies) or any other person specified under section 185 of the Companies Act, 2013

The Members are requested to consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 185 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), consent of the Members of the Company, be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include, unless the context otherwise required, any Committee of the Board or any Director(s) or Officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) for giving loan(s) in one or more tranches including loan represented by way of book debt (the "Loan") to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/to be taken by any entity which is a Subsidiary or Associate or Joint Venture or group entity of the Company or any other person in which any of the Director of the Company is deemed to be interested (collectively referred to as the "Entities"), up to a sum not exceeding Rs.200 Crores [Rupees Two Hundred Crores Only] at any point in time, in its absolute discretion deem beneficial and in the best interest of the Company.

"RESOLVED FURTHER THAT the powers be delegated to the Board of the Company and the Board is hereby authorised to negotiate, finalise agree the terms and conditions of the aforesaid loan/guarantee/security and to do all such acts, deeds and things as may be necessary and incidental including signing and/or execution of any deeds/documents/undertakings/agreements/papers/writings for giving effect to this Resolution."

2. To approve grant of employee stock options to the employees of holding and/or subsidiary company(ies) of the Company under 'Veefin Solutions Limited - Employee Stock Option Plan, 2023' (ESOP 2023)

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

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder, relevant provisions of the Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and any circulars/ notifications/ guidance/frequently asked questions issued thereunder, as amended from time to time (collectively referred as "SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and

Disclosure Requirements) Regulations, 2015, as amended from time to time (“SEBI LODR Regulations”), the provisions of relevant regulations/guidelines, if any, prescribed by the Securities and Exchange Board of India (“SEBI”), the provisions of any other applicable laws and regulations (including any amendment thereto or modification(s) or re-enactment(s) thereof from time to time), the relevant provisions of the Memorandum and Articles of Association of the Company, and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and further subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s), the approval of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee, including the Nomination and Remuneration Committee of the Company) to create and grant from time to time, in one or more tranches, such number of employee stock options (“Options”) under the “Veefin Solutions Limited - Employee Stock Option Plan, 2023’ (ESOP 2023) within the limit prescribed therein to or for the benefit of such person(s) who are exclusively working with any Holding / Subsidiary Company(ies) of the Company, in India or outside India, including any director thereof, whether whole-time or not (excluding the employees/directors who are promoters and persons belonging to the promoter group, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), exercisable into corresponding number of equity shares of face value of Rs. 10 (Rupee Ten) each fully paid-up upon exercise and be transferred to the Option grantee by the ESOP 2023 of the Company, on such terms and in such manner as the Committee may decide in accordance with the provisions of the applicable laws and the provisions of Scheme.”

**By Order Of The Board
For Veefin Solutions Limited**

Place: Mumbai

Date : October 18, 2023

Registered Office:

601, 602 & 603, Neelkanth Corporate IT Park,

Vidyavihar (W), Mumbai 400086.

CIN: U72900MH2020PLC347893

☎: 9004917712

Website: www.veefin.com

Urja Harsh Thakkar

Company Secretary & Compliance Officer

(ACS No.: 42925)

Notes:

- 1) The Explanatory Statement pursuant to Section 102 & 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 stating all material facts and the reasons for the proposal is annexed hereto.
- 2) The Postal Ballot Notice is being sent to the Shareholders whose names appear in the Register of Members/Record of Depositories as at the close of business hours on Friday, October 13, 2023. The Postal Ballot Notice is being sent by E-mail to the Shareholders whose email address is registered with the Company/Depository Participant(s) for communication. For Shareholders who have not registered their email address. The Postal Ballot Notice may also be accessed on Company's website www.veefin.com and on the website of BSE Ltd www.bsesme.com. Only those members whose names are recorded in Register of Members/Record of Depositories as on cut-off date will be entitled to cast their votes by Postal Ballot or e-voting. It is however, clarified that all the persons who are members of the Company as on Friday, October 13, 2023 (including those members who may not have received this Notice due to non-registration of their email IDs with the Company or the Depositories/Depository Participant(s)) shall be entitled to vote in relation to the resolution specified in this Notice.
- 3) A person who is not a Member as on the cut-off date, should treat this Notice for information purposes only.
- 4) After dispatch of the Notice through email, advertisement shall be published in one English daily newspaper having country-wide circulation and in one Marathi newspaper, having wide circulation in the district where the registered office of the Company is situated and the same will also be uploaded on the website of the Company i.e. www.veefin.com.
- 5) The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, October 13, 2023.
- 6) In compliance with the aforesaid MCA circulars, a Notice of this Postal Ballot is being sent only through electronic mode to Members whose e-mail IDs are registered with the Company / Depositories, physical copies of the Postal Ballot Notice will not be circulated, and the Company will promptly provide physical copies upon specific request of any Member(s).
- 7) A member cannot exercise his vote by proxy on Postal Ballot. (e-voting).
- 8) Resolutions passed by the Members through Postal Ballot are deemed to have been passed effectively at a general meeting of the members.
- 9) In compliance with Section 108 and 110 of the Companies Act, 2013, the Rules made thereunder and in terms of Regulation 44 of the SEBI LODR Regulations, the Company is providing members a facility to exercise their right to vote on the postal ballot by electronic means through remote e-voting services. The instructions for electronic voting are annexed to the Notice. The Company has availed the services of National Security Depository Limited for providing the necessary remote e-voting.
- 10) E-Voting period will commence on and from **Saturday, October 21, 2023 (9.00 AM Indian Standard Time) and ends on Sunday, November 19, 2023 (5.00 PM Indian Standard Time)** (inclusive of both the days).
- 11) After completion of scrutiny of votes cast electronically, the Scrutinizer will submit the report to the Chairman and results of the Voting shall be announced by the Chairman or any other Director of the Company within the stipulated timelines at the registered office of the Company. The results of voting shall also be displayed on the website of the Company, www.veefin.com besides being sent to the Stock Exchanges on the said date.
- 12) The resolution/s, if approved, shall be deemed to be passed on **Sunday, November 19, 2023** i.e. the last date of e-voting.

13) All the documents referred to in this Postal Ballot Notice will be available for inspection electronically without any fee by the Members from the date of circulation of this Postal Ballot Notice until the last date of e-voting. Members seeking to inspect such documents can send an email to investors@veefin.com.

INSTRUCTIONS AND PROCESS FOR E-VOTING ARE AS UNDER: -

The e-voting period commences on Saturday, October 21, 2023 (9.00 AM Indian Standard Time) and ends on Sunday, November 19, 2023 (5.00 PM Indian Standard Time) . During this period shareholders of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting after Sunday, November 19, 2023 at 5.00 p.m. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The procedure to login to e-Voting website consists of two steps as detailed hereunder:

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode:

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  App Store </div> <div style="text-align: center;">  Google Play </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 123460 then user ID is 123460001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

c) How to retrieve your 'initial password'?

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2 : Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to maharshi@maharshiganatra.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@veefin.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@veefin.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

Item No. 1:

Pursuant to Section 185 of the Companies Act, 2013 (as amended by the Companies (Amendment) Act, 2017, a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity (said entity/(ies) covered under the category of 'a person in whom any of the director of the Company is interested' as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013, after passing a special resolution.

In view of the above; and as an abundant caution, the Board at its meeting held on 18th October, 2023 decided to seek approval of the shareholders pursuant to the provisions of Section 185 of the Companies Act, 2013 to advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity (said entity/(ies) covered under the category of 'a person in whom any of the director of the Company is interested' as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013 of an aggregate outstanding amount not exceeding at any time Rs. 200 Crores (Rupees Two Hundred Crores only). It is proposed to grant loan or give guarantee or provide security in respect of any loan granted to such entities and for making loan(s) or providing financial assistance or providing guarantee or securities in connection with the loans taken or to be taken by the Entities for the capital expenditure of the projects and/or working capital requirements including purchase of fixed assets as may be required from time to time for the expansion of its business activities and other matters connected and incidental thereon for their principal business activities. In case of any subsidiaries / joint ventures / associates incorporated in future, the Board of Directors may grant loan or give guarantee or provide security within the aforesaid limit.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolutions except to the extent of their shareholding in the Company, if any.

The Board of Directors recommend the resolution no. 1 given in this Notice for your approval as a Special Resolution.

Item No. 2:

The Company has implemented an employee stock option scheme namely 'Veefin - Employee Stock Option Plan, 2023' (i.e. ESOP 2023) to attract, retain, incentivise and motivate its eligible employees and employees of its subsidiary or holding company vide members' resolution dated May 15th, 2023. As per the provision of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 ("SEBI SBEB Regulations"), the pre-IPO scheme is aligned as per the SEBI SBEB Regulations and ratified by the Shareholders at their meeting held on 29th September, 2023 in order to make fresh grant under such scheme.

Further, as the business is growing, it is appreciated that the Company would need more quantum of Options in view of its increasing human resources particularly with a view to attract, retain, and motivate critical resources and growth drivers, both existing and those joining in future for ensuring better and sustained corporate growth and profitability.

Your Board recommends passing of the aforesaid proposal seeking approval for granting of Employee stock options to the employees of the subsidiary companies and / or holding company as per the provisions of the SEBI SBEB Regulations as a Special Resolution. The afore-stated proposal already approved by the Board of Directors ("Board") on 18th October, 2023.

Features of the ESOP 2023 (except stated above) shall remain the same as last approved vide special resolution dated May 15th, 2023, and are reproduced again in terms of SEBI SBEB Regulations as under:

a) Brief description of the scheme

The Company proposes to implement ESOP 2023 primarily with a view to attract, retain, motivate and reward the eligible employees of the Company and its subsidiary company and/or holding company (collectively referred to

as “Employees”). The Administrator is administering the ESOP 2023. All questions of interpretation of the ESOP 2023 shall be determined by the Administrator and such determination shall be final and binding upon all persons having an interest in ESOP 2023.

b) Total number of Options to be granted

Total number of Options that may be granted under the ESOP 2023 shall not exceed 25,00,000 (Twenty-Five Lakh) out of which 15,00,000 (Fifteen Lakh) Options were reserved under the ESOP 2023 as originally contemplated. Each Option upon exercise shall be convertible into one equity share of face value of Rs. 10 fully paid-up. Options lapsed or cancelled due to any reason including the reason of lapse of exercise period or due to resignation of the employees or otherwise, would be available for being re-granted at a future date. However, once underlying shares are delivered upon exercise of Options, the shares reserved for ESOP 2023 purposes would reduce. In case of any corporate action (s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment will be made to the Options granted. Accordingly, the ceiling of Options/ underlying equity shares shall be deemed to increase to the extent of such additional equity shares issued.

c) Identification of classes of employees entitled to participate in the Employee Stock option scheme

- An employee as designated by the Company, who is exclusively working in India or outside India; or
- A director of the Company, whether a Whole Time Director or not, including a non- executive director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or
- an employee, as defined in sub-clauses above, of a Subsidiary Company in India or outside India, or of a Holding Company of the Company; or but does not include:
 - An employee who is a Promoter or a person belonging to the Promoter Group; or
 - A director who either himself or through his Relative or through any Body Corporate directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

d) Requirements of vesting and period of vesting

The Options granted shall vest so long as the Employee continues to be in the employment/ service of the Company or its group company including subsidiary, or holding company, as the case may be, as per SEBI SBEB Regulations except in case of death, permanent incapacity and retirement. The Administrator may, at its discretion, lay down certain performance metrics on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which options granted would vest subject to the minimum and maximum vesting period as specified below. Vesting period for any Options granted under this ESOP 2023 shall be subject to statutory minimum period of 1 (One) year and maximum period of 6 (Six) years from the date of grant of Options.

e) The maximum period within which the options shall be vested

The options granted shall vest not later than 6 (Six) years from the date of grant of such options.

f) Exercise price or pricing formula

The Exercise Price shall be as determined by the Administrator at the time of Grant of Options provided that the Exercise Price shall not be less than the face value of the ESOP Shares.

g) Exercise period and the process of exercise

The vested Options shall be exercisable anytime during the employment with the Company / Holding Company / Subsidiary Company. The Shares arising out of exercise of vested Options would not be subject to any lock-in

period after such exercise. The options will be exercisable by the grantees by a written application to the Company along with payment of exercise price and applicable taxes in such manner and on execution of such documents, as may be prescribed from time to time. The options will lapse if not exercised within the specified exercise period.

h) Appraisal Process for determining the eligibility of the Employees

The options shall be granted to the eligible Employees as per performance appraisal system of the Company and the Administrator at its discretion may adopt any eligibility criteria for determining eligibility of any Employee or a class thereof on the basis of designation, role, and future potential of Employees.

i) Maximum number of options to be issued per employee and in aggregate

The maximum number of options that may be granted to an eligible Employee shall be at the discretion of the Company. However, if the options granted per employee exceeds 1% of the paid up capital of the Company, the Company shall seek approval from the shareholders.

j) Maximum quantum of benefits to be provided per Employee under the ESOP 2023

There is no other benefit except grant of Options which shall be subject to such limitations as mentioned in point above.

k) Route of implementation or administration of the Scheme

ESOP 2023 is implemented and administered directly by the Company.

l) Source of acquisition of shares under the Scheme

The ESOP 2023 contemplates issue of fresh/ primary shares by the Company.

m) Amount of loan to be provided for implementation of the Scheme by the Company to the Trust, its tenure, utilization, repayment terms, etc.

This is currently not contemplated under the present ESOP 2023.

n) Maximum percentage of secondary acquisition

This is not relevant under the present ESOP 2023.

o) Disclosure and Accounting Policies

The Company shall comply with the disclosure and the accounting policies as prescribed under Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Accounting Standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time, including the disclosure requirements prescribed therein.

p) Method of option valuation

The Company shall adopt fair value method for valuation of options as prescribed in accordance with Indian generally accepted Accounting Principles (GAAP).

q) Declaration

In case, the Company opts for expensing of share based employee benefits using the intrinsic value method, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

r) Lock-in period:

The shares issued pursuant to exercise of options shall not be subject to any lock-in period restriction except such restriction as may be prescribed under applicable laws including that under the code of conduct framed, if any, by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended.

s) Terms & conditions for buyback, if any, of specified securities/ Options covered granted under the ESOP 2023:

Subject to the provisions of the then prevailing applicable laws, the Administrator shall determine the procedure for buy-back of Options granted under the ESOP 2023 if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

Consent of the members is being sought pursuant to Section 62(1)(b) of the Companies Act, 2013, read with Regulations 6 & 7 of the SEBI SBEB Regulations. A copy of the ESOP 2023 is available for inspection at the Company's registered office during official hours on all working days until closure of time for casting vote through e-voting.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested in the aforesaid resolutions, except to the extent of the options that may be granted to them under the ESOP 2023. In light of above, you are requested to accord your approval to the Special Resolution as set out at Item No. 2 of the accompanying notice

**By Order Of The Board
For Veefin Solutions Limited**

Place: Mumbai

Date : October 18, 2023

Registered Office:

601, 602 & 603, Neelkanth Corporate IT Park,

Vidyavihar (W), Mumbai 400086.

CIN: U72900MH2020PLC347893

☎: 9004917712

Website: www.veefin.com

**Urja Harsh Thakkar
Company Secretary & Compliance Officer
(ACS No.: 42925)**