

AVANSE FINANCIAL SERVICES LIMITED

Registered and Corporate Office: 4th Floor, E Wing, Times Square Building, Andheri Kurla Road, Andheri (East), Mumbai – 400059, Maharashtra

Tel: +91 22 6859 9999 | Fax: +91 22 6859 9900 | Email: Companysecretary@avanse.com

CIN: U67120MH1992PLC068060 | Website: www.avanse.com

NOTICE

Notice is hereby given that the 32nd Extra-ordinary General Meeting (“**EGM**”) of the Shareholders of Avanse Financial Services Limited (the “**Company**”) will be held on Friday, December 19, 2025 @ 8.00 PM (IST) through Video Conferencing (“**VC**”) / Other Audio-Visual Means (“**OAVM**”) to transact the following business:

The proceedings of the EGM shall be deemed to be conducted at the Registered and Corporate Office of the Company situated at 4th Floor, E Wing, Times Square Building, Andheri Kurla Road, Andheri (East), Mumbai – 400059, Maharashtra, which shall be deemed venue of the EGM.

SPECIAL BUSINESS:

Item No. 1: To approve reclassification of the current authorized share capital of the Company and consequential alteration to the Authorized Share Capital clause of the Memorandum of Association of the Company:

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

“RESOLVED THAT pursuant to the provisions of Sections 4, 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 and any rules framed thereunder (including any statutory amendment(s), modification(s) or re-enactment thereof, for the time being in force) (the “**Act**”), the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and in accordance with other applicable laws or rules, regulations, circulars, guidelines issued by the Government of India, the Reserve Bank of India, the Securities and Exchange Board of India, the Insurance Regulatory Development Authority of India, and / or any other competent authorities and subject to the necessary sanction, approval, permission of competent authority(ies), as may be required, consent of the Shareholders be and is hereby accorded to reclassify the authorised share capital of the Company from Rs. 200,00,00,000 (Rupees Two Hundred Crore only) divided into 35,00,00,000 (Thirty Five Crore) equity shares of Rs.5/- (Rupees Five only) each and 2,50,00,000 (Two Crore Fifty Lakh) preference shares of Rs.10/- (Rupees Ten only) each to Rs. 200,00,00,000 (Rupees Two Hundred Crore only) divided into 30,00,00,000 (Thirty Crore) equity shares of Rs.5/- (Rupees Five only) each and 5,00,00,000 (Five Crore) preference shares of Rs.10/- (Rupees Ten only) each;



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RESOLVED FURTHER THAT consequent to the above, the Memorandum of Association of the Company be and hereby altered by substituting the existing Clause Va) thereof with the following new Clause Va):

“V. a) The Authorized Share Capital of the Company is Rs. 200,00,00,000 (Rupees Two Hundred Crore only) divided into 30,00,00,000 (Thirty Crore) equity shares of Rs.5/- (Rupees Five only) each and 5,00,00,000 (Five Crore) preference shares of Rs.10/- (Rupees Ten only) each.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary including sub-delegation of any authorities, to give effect to these resolutions and with further powers on behalf of the Company to settle questions, difficulties or doubts that may arise in this regard, without requiring the Board of Directors to secure any further consent or approval of the Shareholders of the Company.”

Item No. 2: Issue of Compulsorily Convertible Preference Shares on Rights Issue basis

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

“RESOLVED THAT pursuant to the provisions of Section 55, 62 (1)(a) and all other applicable provisions of the Companies Act, 2013, as amended, Rule 9 and any other applicable rules of the Companies (Share Capital and Debentures) Rules, 2014, and any other rules framed there under (including any statutory amendment(s), modification(s) or re-enactment thereof, for the time being in force) (the “**Act**”), the enabling provisions of the Memorandum of Association and Articles of Association of the Company, the provisions of the Foreign Exchange Management Act, 1999 and rules, regulations, notifications, circulars, issued thereunder and in accordance with other applicable laws or rules, regulations, circulars, guidelines issued by the Government of India, the Reserve Bank of India, the Securities and Exchange Board of India, the Insurance Regulatory Development Authority of India, and / or any other competent authorities and subject to the necessary sanction, approval, permission of competent authority(ies), as may be required, and such conditions, restrictions, as may be imposed by such competent authority(ies) while granting sanction, approval or permission, and subject to approval of reclassification of Authorized Share Capital of the Company, so as to cover the proposed issue of compulsorily convertible preference shares within the authorized preference share capital, by the shareholders by way of passing necessary resolution at a duly convened meeting of the shareholders of the Company, the consent of the shareholders be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “**Board**” which shall be deemed to include any committee thereof or any other person(s) for the time being exercising the powers conferred by the Board and as may be authorized by the Board in that behalf) to create, offer, issue and allot up to 36,357,423 (Three Crore Sixty Three Lakhs Fifty Seven Thousand Four Hundred Twenty Three) fully-paid up 0.0001% compulsorily convertible preference shares of the Company (“**CCPS**”) having face value of Rs. 10 (Rupees Ten only) each at an issue price of Rs. 378.03 (Rupees Three Hundred and Seventy Eight and Three paise) per CCPS [including premium of Rs. 368.03 (Rupees Three Hundred Sixty Eight and Three paise) per CCPS] payable in cash for an amount aggregating up to Rs. 13,744,196,616.69 (Rupees One Thousand Three Hundred Seventy Four Crore Forty One Lakhs Ninety Six Thousand Six Hundred Sixteen and Sixty Nine paise), to the existing shareholders holding equity shares of the Company as on December 19, 2025 (“**Record Date**”), on a rights basis in the proportion of their existing shareholding in the Company as on the

Record Date and to issue such number of equity shares as may be required upon conversion of such CCPS in accordance with the terms mentioned in the letter of offer, as may be fixed and declared by the Board;

RESOLVED FURTHER THAT in accordance with the provisions of Section 43 and 55 of the Act, read with Rule 9 of the Companies (Share Capital and Debentures) Rules 2014, the terms of CCPS include, *inter alia*, the following:

| | | |
|----|---|---|
| a. | Rate of dividend | 0.0001% per annum on the face value of CCPS |
| b. | Priority with respect to payment of dividend or repayment of capital vis-a-vis equity shares | CCPS shall carry a preferential right vis-à-vis equity shares of the Company with respect to the payment of dividend, if any, declared by the Board or the Shareholders at duly convened annual general meeting and repayment of capital on winding up. |
| c. | Participation in surplus funds | Not participating in surplus funds except to the extent of any dividend payments. |
| d. | Participation in surplus assets and profit, on winding-up which may remain after the entire capital has been repaid | Not participating in surplus assets and profit, except to the extent of any repayment of capital on winding up. |
| e. | Payment of dividend on cumulative or non-cumulative basis | cumulative basis |
| f. | Conversion of CCPS into equity shares | Each CCPS may be converted into equity shares in the manner prescribed under the Letter of Offer. |
| g. | Voting rights | As permitted under Section 47 of the Act. |
| h. | Redemption of Preference Shares | Not applicable |

RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary including approval of letter of offer, letter of renunciation, application form, sub-delegation of any authorities, make all necessary filings with statutory or regulatory authorities including but not limited to the Registrar of Companies and the Reserve Bank of India, take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, etc., to give effect to these resolutions and with further powers on behalf of the Company to settle questions, difficulties or doubts that may arise in this regard, without requiring the Board of Directors to secure any further consent or approval of the Shareholders of the Company.”

By Order of the Board of Directors
For Avanse Financial Services Limited

Date : December 18, 2025
Place: Mumbai



Rajesh Gandhi
Company Secretary and Compliance Officer
ICSI Membership No.: A-19086



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Notes for Shareholders' attention:

1. **Explanatory Statement:** An explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") relating to the businesses to be transacted at the 32nd Extra-Ordinary General Meeting of the Shareholders of the Company ("EGM" or "the Meeting") is annexed hereto.
 2. **Convening of EGM through VC / OAVM:** The Ministry of Corporate Affairs, vide its General Circular no. 03/2025 dated September 22, 2025 read with General Circular no. 14/2020 dated April 8, 2020 and such other circulars, notification and guidelines concerning the conducting of EGM through VC or OAVM (collectively referred to as "MCA Circulars"), have permitted convening the EGM through VC or OAVM without physical presence of the Shareholders. In accordance with the MCA Circulars and applicable provisions of the Act, the EGM is being held through VC / OAVM.
 3. **Quorum:** Pursuant to the MCA Circulars, physical attendance of the Shareholders will not be required at the EGM and attendance of the Shareholders through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
 4. **Proxy:** Since the EGM is being held through VC / OAVM, physical presence of the Shareholders has been dispensed with. Accordingly, the facility for appointment of proxy(ies) by the Shareholders will not be available for the EGM and hence proxy form, attendance slip and route map are not annexed to this notice. However, in pursuance of Section 113 of the Act, representatives of the Corporate and other Non-individual Shareholders may be appointed for the purpose of voting or for participation and voting in the EGM. Such Corporate / non-individual Shareholders proposing to participate at the meeting through their representative shall forward a scanned copy of the necessary authorization under Section 113 of the Act through email to companysecretary@avanse.com or rajesh.gandhi@avanse.com before the commencement of the EGM.
 5. **Shorter Notice:** This meeting is being called at a shorter notice than the statutory required minimum time of 21 clear days. Pursuant to the provisions of Section 101 of the Act, a general meeting other than AGM may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the Shareholders entitled to vote thereat. Accordingly, the convening of the EGM shall be subject to the receipt of the requisite consent by the Shareholders to hold the EGM at a shorter notice.
 6. **Electronic dispatch of Notice:** In compliance with the MCA Circulars, notice of the EGM is being sent only through electronic mode to those Shareholders whose email addresses are registered with the Company / Depository(ies). Shareholders can request for hard copy of the EGM notice by sending a request at Companysecretary@avanse.com or rajesh.gandhi@avanse.com.
- A copy of the notice of the EGM shall also available on the website of the Company at www.avanse.com.
7. **Voting at the EGM:** In compliance with the MCA Circulars and applicable provisions of the Act and rules framed thereunder, the Shareholders will vote on the proposed agenda items of the Notice convening the EGM, through "Show of Hands", unless a demand for poll is made by any Shareholder in accordance with Section 109 of the Act.

In case a poll is ordered to be taken by the Chairman or demanded in accordance with Section 109 of the Act, Shareholders can cast their vote during the EGM by sending an email to Companysecretary@avanse.com or rajesh.gandhi@avanse.com from their registered email addresses.

The Shareholders, whose names appear in the Register of Members / list of Beneficial Owners as on the date of EGM shall be entitled to vote on the Resolution set forth in this Notice. A person who is not a Shareholder, as on the said date should treat this Notice for information purpose only.

8. Instructions for shareholders for attending the EGM through VC/OAVM:

- a. The EGM shall be conducted using Zoom application. In this connection, the Company Secretary shall send a meeting invite to the registered email addresses of the Shareholders entitled to attend the EGM separately. Shareholders are requested to follow instructions as stated in this notice for participating in the EGM through VC / OAVM.
- b. Facility of joining the EGM through Zoom shall open 15 minutes before the time scheduled for the EGM and shall be kept open throughout the EGM. Shareholders who may like to express their views or ask questions during the EGM may register themselves by writing to the Company at Companysecretary@avanse.com or rajesh.gandhi@avanse.com. The Shareholders who do not wish to speak at the EGM may also send their queries / questions in advance by writing to the Company at the aforesaid email address. Shareholders may raise questions during the meeting as well. However, the Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the EGM.
- c. Shareholders who need technical assistance before or during the EGM, can contact the undersigned on +91 9223547313 or at Companysecretary@avanse.com or at rajesh.gandhi@avanse.com.
- d. Joining the EGM:
 - i. Click on the meeting link sent to you by the Company Secretary.
 - ii. You will then see the homepage of Zoom meeting. Click on the 'Open Zoom Meetings'.
 - iii. If you have already installed Zoom application on your device, then enter meeting ID, your name and click on 'Join Meeting'.
 - iv. If you have not installed Zoom application on your device, then click on "Launch Meeting" and then click on "Join from Browser" option on the landing page of Zoom. If you are not able to join the meeting and are getting any error, please clear your browsing cache or cookies and try again.
 - v. For better experiencing the proceedings of the EGM, Shareholders are suggested to download the Zoom application. The application can be downloaded on smartphones also by visiting the 'Google play store' for android users and 'App Store' for iOS users.

- 9. Registers and records:** The relevant documents referred to in this Notice will be available for electronic inspection without any fee by the Shareholders from the date of circulation of this Notice upto the date of EGM during the business hours of the Company and also during the EGM. Shareholders seeking to inspect the documents may send an e-mail to companysecretary@avanse.com or rajesh.gandhi@avanse.com.

- 10.** In this Notice, the term Member(s) or Shareholder(s) are used interchangeably.



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ANNEXURE TO NOTICE – STATEMENT U/S 102 OF THE COMPANIES ACT, 2013

The following statement contains all material facts relating to the businesses, as set out in this Notice.

Agenda Item No. 1 and 2.

1. Your Company has witnessed steady growth in business including in the current FY26. The Asset Under Management stood at Rs. 21,713 crores as on September 30, 2025. Your Company expects that it would be able to demonstrate responsible growth for the coming period as well. In order to support the continuing growth of the Company and to maintain its Capital Adequacy Ratio and leverage at comfortable level during its growth journey, it is proposed to raise additional capital of upto Rs. 13,744,196,616.69 (Rupees One Thousand Three Hundred Seventy Four Crore Forty One Lakhs Ninety Six Thousand Six Hundred Sixteen and Sixty Nine paisa) by way of issue of 36,357,423 (Three Crore Sixty Three Lakhs Fifty Seven Thousand Four Hundred Twenty Three) fully-paid up 0.0001% compulsorily convertible preference shares of the Company (“CCPS”) of the face value of Rs. 10 (Rupees Ten only) each at an issue price of Rs. 378.03 (Rupees Three Hundred Seventy Eight and Three paisa) per CCPS [including premium of Rs. 368.03 (Rupees Three Hundred Sixty Eight and Three paisa) per CCPS], for a consideration payable in cash, to the existing shareholders of the Company on a rights basis.

Please see below the disclosures, as required under Section 55 of the Act read with Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014:

| S. No. | Particulars | Disclosure |
|--------|---|---|
| 1. | Size of the issue, no. of CCPS to be issued and nominal value of each share | <p>Issue Size: Upto Rs. 13,744,196,616.69 (Rupees One Thousand Three Hundred Seventy Four Crore Forty One Lakhs Ninety Six Thousand Six Hundred Sixteen and Sixty Nine paisa)</p> <p>Number CCPS to be issued: 36,357,423 (Three Crore Sixty Three Lakhs Fifty Seven Thousand Four Hundred Twenty Three)</p> <p>Nominal Value per CCPS: Rs. 10/- (Rupees Ten only)</p> <p>Premium per CCPS: Rs. 368.03 (Rupees Three Hundred Sixty Eight and Three paisa)</p> |
| 2. | Nature of shares | CCPS are cumulative and compulsorily convertible preference shares |
| 3. | Objectives of the issue | To meet future capital requirements for business and asset growth of the Company and its wholly owned subsidiary and for general corporate purposes. |
| 4. | Manner of issue of shares | CCPS are proposed to be issued on a rights basis to existing shareholders of the Company. |
| 5. | Price at which shares are proposed to be issued | CCPS are proposed to be issued at a price of Rs. 378.03 (Rupees Three Hundred Seventy Eight and Three paisa) per CCPS |

| 6. | Basis on which the price has been arrived at | Not applicable since it is a rights issue | | | | | | | | | | | | | | | | | | | | | | | | |
|----------|---|--|--|---|--|--|----------|-------------------------|------------------------|--|---|-----|------------------------------|----|--------------|-------|-----|--------|---|--------------|-------|--|---------------|-----|--------------|-----|
| 7. | Terms of issue, including terms and rate of dividend on each CCPS, etc. | Dividend shall be payable at 0.0001% per annum on face value on cumulative basis. | | | | | | | | | | | | | | | | | | | | | | | | |
| 8. | Terms of redemption, including tenure of redemption, redemption of shares at premium, and if preference shares are convertible, the terms of conversion | CCPS are compulsorily convertible into equity shares of the Company and the terms of conversion are mentioned in the Letter of Offer placed before the Shareholders. | | | | | | | | | | | | | | | | | | | | | | | | |
| 9. | Manner and modes of redemption | Not Applicable | | | | | | | | | | | | | | | | | | | | | | | | |
| 10. | Current shareholding pattern of the Company | <table><tr><th>Category</th><th>Category of shareholder</th><th>Number of shareholders</th><th>Number of fully paid-up Equity Shares of face value of Rs. 5 each held</th><th>Shareholding as a % of total number of shares</th></tr><tr><td>(A)</td><td>Promoters and Promoter Group</td><td>6*</td><td>14,93,94,074</td><td>59.32</td></tr><tr><td>(B)</td><td>Public</td><td>5</td><td>10,24,29,158</td><td>40.68</td></tr><tr><td></td><td>Total (A+B+C)</td><td>11*</td><td>25,18,23,232</td><td>100</td></tr></table> <p>* Including 5 equity shares held by Nominee Shareholders of Olive Vine Investment Ltd</p> | | | | | Category | Category of shareholder | Number of shareholders | Number of fully paid-up Equity Shares of face value of Rs. 5 each held | Shareholding as a % of total number of shares | (A) | Promoters and Promoter Group | 6* | 14,93,94,074 | 59.32 | (B) | Public | 5 | 10,24,29,158 | 40.68 | | Total (A+B+C) | 11* | 25,18,23,232 | 100 |
| Category | Category of shareholder | Number of shareholders | Number of fully paid-up Equity Shares of face value of Rs. 5 each held | Shareholding as a % of total number of shares | | | | | | | | | | | | | | | | | | | | | | |
| (A) | Promoters and Promoter Group | 6* | 14,93,94,074 | 59.32 | | | | | | | | | | | | | | | | | | | | | | |
| (B) | Public | 5 | 10,24,29,158 | 40.68 | | | | | | | | | | | | | | | | | | | | | | |
| | Total (A+B+C) | 11* | 25,18,23,232 | 100 | | | | | | | | | | | | | | | | | | | | | | |
| 11. | Expected dilution in equity share capital upon conversion of preference shares | Dilution in the equity share capital shall be as per the conversion terms prescribed in the Letter of Offer. | | | | | | | | | | | | | | | | | | | | | | | | |

Letter of Offer containing terms and conditions of the issue of CCPS is attached.

- Your Company's present Authorized Share Capital is Rs. 200,00,00,000 (Rupees Two Hundred Crore only) divided into 35,00,00,000 (Thirty Five Crore) equity shares of Rs.5/- (Rupees Five only) each and 2,50,00,000 (Two Crore Fifty Lakh) preference shares of Rs.10/- (Rupees Ten only).
- In order to enable the Company to issue CCPS on rights basis, your Company is required to re-classify its Authorized Share Capital. In this connection, it is proposed to reclassify the aforesaid Authorized Share Capital into Rs. 200,00,00,000 (Rupees Two Hundred Crore only) divided into 30,00,00,000 (Thirty Crore) equity shares of Rs.5/- (Rupees Five only) each and 5,00,00,000 (Five Crore) preference shares of Rs.10/- (Rupees Ten only) each.



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4. It may kindly be noted that this is only a re-classification of the Authorised Share Capital, and there will not be any increase / reduction in the aggregate Authorized Share Capital. This re-classification would however lead to alteration of the Authorized Share Capital clause of the Memorandum of Association of the Company to accurately reflect the above re-classification.
5. Issue of CCPS by the Company requires approval of the Shareholders by way of a special resolution and re-classification of the Authorized Share Capital and consequent alteration of the Memorandum of Association of the Company require approval of the Shareholders by way of an ordinary resolution.

The Board recommends the Ordinary Resolution as set out at Item No. 1 and the Special Resolution as set out at Item No. 2 of this notice for approval by the Shareholders.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 1 of the notice.

For Item No. 2 of the notice, Mr. Narendra Ostawal, Mr. Hemant Mundra, Mr. Sunish Sharma and Mr. Luca Molinari, non-executive non-independent directors, who are nominee directors, may be deemed to be concerned or interested by virtue of their association / position with their respective nominating shareholders. Apart from the above, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise.

By Order of the Board of Directors
For Avanse Financial Services Limited

Date : December 18, 2025
Place: Mumbai



Rajesh Gandhi
Company Secretary and Compliance Officer
ICSI Membership No.: A-19086



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