



Niyogin Fintech Limited

Registered Office: MIG 944, Ground Floor, TNHB Colony, 1st Main Road, Velachery, Chennai, Tamil Nadu- 600042

Corporate Office: 311 & 312, 3rd Floor, Neelkanth Corporate IT Park, Kiroli Road, Vidyavihar (W), Mumbai - 400086

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Website: www.niyogin.com

POSTAL BALLOT NOTICE

NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 (“THE ACT”) READ WITH RULE 20 AND 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 (“THE RULES”) AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE ACT (INCLUDING ANY STATUTORY MODIFICATION OR RE-ENACTMENT THEREOF FOR THE TIME BEING IN FORCE), SECRETARIAL STANDARD ON GENERAL MEETINGS (“SS-2”) AND REGULATION 44 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED (SEBI LODR REGULATIONS).

Dear Member(s),

Notice is hereby given that the resolution set out below is proposed to be passed by the members of Niyogin Fintech Limited (“the Company”) by means of Postal Ballot by way of remote Electronic voting (e-voting), pursuant to Section 108, 110 and all other applicable provisions of the Companies Act, 2013 (“the Act”) read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 (“the Rules”) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) read with Secretarial Standard on General Meeting (SS-2) and the equity listing agreement executed with the stock exchanges on which the equity shares of the Company are listed for seeking approval of the shareholders by way of ordinary / special resolutions (as indicated) for matters as considered in the Resolutions appended below through postal ballot (“Postal Ballot”) by way of remote e-voting. This notice is in accordance with the circulars issued by the Ministry of Corporate Affairs, Government of India (the “MCA”) vide its General Circular No.14/2020 dated April 8, 2020, General Circular No.17/2020 dated April 13, 2020 and General Circular No.22/2020 dated June 15, 2020 (the “MCA Circulars”) providing for specific manner in which postal ballot notice is to be issued in the current situation of Covid-19 pandemic (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force).

In terms of the MCA Circulars, and in the view of the current extraordinary circumstances due to COVID-19 pandemic requiring social distancing, companies are advised to take all decisions requiring members’ approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot / e-voting in accordance with the provisions of the Companies Act and rules made thereunder, without holding a general meeting that requires physical presence of members at a common venue. The MCA has clarified that for companies that are required to provide e-voting facility under the Companies Act, while they are transacting any business(es) only by postal ballot upto September 30, 2020, the requirements provided in Rule 20 of the Rules as well as the framework provided in the MCA Circulars will be applicable mutatis mutandis. Further, the Company will send Postal Ballot Notice by email to all its members who have registered their email addresses with the Company or depository / depository participants and the communication of assent / dissent of the members will only take place through the remote e-voting system. This Postal Ballot is accordingly being initiated in compliance with the MCA Circulars.

In compliance with the requirements of the MCA Circulars, the Company is sending Postal Ballot Notice in electronic form only and express its inability to dispatch hard copy of Postal Ballot Notice along with Postal Ballot Form and pre-paid business reply envelope to the shareholders for this Postal Ballot. The shareholders are required to communicate their assent or dissent through the remote e-voting system only.

The Board of Directors of the Company now propose to obtain the consent of the shareholders by way of Postal Ballot for the matter as considered in the Resolutions appended below. The Explanatory Statement pursuant to Section 102 of the Companies Act pertaining to the said Resolutions setting out material facts and the reasons for the Resolutions are also annexed.

You are requested to peruse the proposed Resolutions along with their respective Explanatory Statement and thereafter record your assent or dissent by means of remote e-voting facility provided by the Company.

SPECIAL BUSINESS:

1. Increase in Authorized Share Capital and consequent amendment to Memorandum of Association of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to (i) the provisions of Section 13, Section 61, Section 64 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force); (ii) provisions of the Memorandum and Articles of Association of the Company; and (iii) such other acts, laws, rules, regulations and guidelines applicable from time to time, consent of the Members be and is hereby accorded to increase the Authorised Share Capital of the Company from INR 98,00,00,000/- (Rupees Ninety Eight Crore Only) divided into 8,90,00,000 (Eight Crore Ninety Lakhs) equity shares of INR 10/- (Rupees Ten Only) each and 90,00,000 (Ninety Lakhs) preference shares of INR 10/- (Rupees Ten Only) each to INR 113,00,00,000/- (Rupees One Hundred and Thirteen Crores Only) divided into 10,40,00,000 (Ten Crore Forty Lakhs) equity shares of INR 10/- (Rupees Ten Only) each and 90,00,000 (Ninety Lakhs) preference shares of INR 10/- (Rupees Ten Only).

RESOLVED FURTHER THAT consequently, the existing Clause V of the Memorandum of Association of the Company relating to the share capital be altered by substituting in its place, the following new Clause V as under:

V “The Authorised Share Capital of the Company is Rs. 113,00,00,000/- (Rupees One Hundred and Thirteen Crores Only) divided into 10,40,00,000 (Ten Crore Forty Lakhs) equity shares of INR 10/- (Rupees Ten Only) each and 90,00,000 (Ninety Lakhs) preference shares of INR 10/- (Rupees Ten Only).”

RESOLVED FURTHER THAT the Board of Directors of the Company and Company Secretary, be and are hereby severally authorised to settle any question, difficulty or doubt that may arise in connection with the aforesaid resolution or any other matters related thereto and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, expedient, proper or desirable to give full effect to the aforesaid resolution.”

2. Niyogin Employees Stock Option Plan 2020 for employees of the Company.

To consider and pass the following resolution, with or without modifications, 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 (“**the Act**”) and the rules made thereunder (including any statutory modification(s) or re-enactment of the Act for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 including any modifications thereof or supplements thereto (the “SEBI SBEB Regulations”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI LODR Regulations”), the Listing Agreement entered into with the Stock Exchange where the securities of the Company are listed and any other applicable laws for the time being in force and subject to such other consents, permissions, sanctions and approvals which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include the Nomination and Remuneration Committee), consent of the Shareholders be and is hereby accorded to introduce and implement **Niyogin Employees Stock Option Plan 2020 (“ESOP 2020”)** the salient features of which are detailed in the Explanatory Statement to this Notice and to create, grant, offer, issue and allot at any time in one or more tranches to or for the benefit of such person(s) who are in the permanent employment of the Company, whether working in India or outside India, including Director of the Company, whether Whole-time director or not (excluding the promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), as may be decided under ESOP 2020, (hereinafter collectively referred to as “Eligible Employees”) selected on the basis of criteria decided by the Board under the ESOP 2020, such number of stock options convertible into Equity Shares of the Company (“Options”), in one or more tranches, not exceeding 50,00,000 equity shares of face value of Rs. 10/- (Rupees Ten Only) each, at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with the ESOP 2020 and provisions of applicable laws.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot Equity Shares directly to the eligible Employees upon exercise of Options from time to time in accordance with the ESOP 2020 and such equity shares shall rank pari-passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division or other re-organisation of capital structure of the Company, as applicable from time to time, if any additional equity shares are issued by the Company for the purpose of making a fair and reasonable adjustment to

the Stock Options granted earlier, the above ceiling shall be deemed to be increased to the extent of such additional equity shares issued.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted to the option grantees shall accordingly be adjusted for the purpose of making a fair and reasonable adjustment to the employee stock options granted earlier and the ceiling in terms specified in the aforesaid resolutions shall be deemed to be increased (if applicable) to the extent of such additional equity shares issued or the price of acquisition payable by the option grantees under the ESOP 2020 shall automatically stand reduced or augmented, as the case may be, in the same proportion as the existing face value per equity share of the Company shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said option grantees.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the Board, which includes the Nomination and Remuneration Committee is authorised to formulate, evolve, decide upon and implement the ESOP 2020, determine the detailed terms and conditions of the aforementioned ESOP 2020 including but not limited to the quantum of the Options to be granted per employee, the number of Options to be granted in each tranche, the terms or combination of terms subject to which the said Options are to be granted, the exercise period, the vesting period, the vesting conditions, instances where such Stock Options shall lapse and to grant such number of Options, to such employees of the Company, at par or at such other price, at such time and on such terms and conditions as set out in the ESOP 2020 and as the Board or the Nomination and Remuneration Committee may in its absolute discretion think fit.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee be designated as the Compensation Committee in accordance with Regulation 5(1) of the SEBI SBEB Regulations for the purposes of administration of ESOP 2020.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to ESOP 2020.

RESOLVED FURTHER THAT the Board is hereby authorised to make any modifications, changes, variations, alterations or revisions in the ESOP 2020 as it may deem fit, from time to time or to suspend, withdraw, terminate or revive the ESOP 2020 and/or the terms of the employee stock options granted and/or vested under ESOP 2020, from time to time, and to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion in conformity with applicable laws, provided such variations, modifications, alterations or revisions are not detrimental to the interests of the Employees.

RESOLVED FURTHER THAT the Board and the Company Secretary be and is hereby given complete authority to take necessary steps for listing of the Equity Shares allotted under the ESOP 2020 on the Stock Exchanges, where the Shares of the Company are listed in accordance with the provisions of the SEBI SBEB Regulations, the SEBI LODR Regulations and other applicable laws and regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle all questions, difficulties or doubts that may arise in relation to formulation and implementation of the ESOP 2020 at any stage including at the time of listing of the equity shares issued herein without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any powers conferred herein to Nomination and Remuneration Committee or such other Committees, any Director, the Company Secretary, any employee, officer(s) or authorized representative(s) of the Company with power to sub-delegate to any Executives/Officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc., as may be necessary in this regard."

3. To consider and grant Stock Options to the employees of the Company (present and/or future) under the Niyogin - Employee Stock Option Plan 2020 (ESOP 2020) of 1 % or more of the issued share capital of the Company

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), the Memorandum of Association and Articles of Association of the Company, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (including any statutory amendment(s) or

modification(s) or re-enactment(s) thereof, for the time being in force) (hereinafter referred to as “**SEBI SBEB Regulations**”) and subject to such other approvals, permissions, consents and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions, consents and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include any Committee, including the Compensation Committee, which the Board has constituted to exercise its powers, including the powers conferred by this resolution), approval of the members of the Company be and is hereby accorded for creation, offer and grant of employee stock options (“**ESOPs**”) and offer, issue and allotment of fully paid-up equity shares of the Company of face value of INR 10/- (Rupee Ten Only) each, pursuant to the conversion of the ESOPs, equal to or more than 1% of the issued, subscribed and paid-up capital of the Company (excluding outstanding warrants and conversions) at the time of grant of ESOPs, during any one year, to identified employees of the Company and any Director, whether whole time or otherwise (other than promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company) in accordance with the provisions of the SEBI SBEB Regulations and the terms of ‘Niyogin Employee Stock Option Plan 2020’.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolutions, 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, expedient or desirable for such purpose, on behalf of the Company including to decide the number of options to be granted to each of eligible employees and/or Directors of the Company and to settle all questions, difficulties or doubts that may arise in this regard, as it may, in its absolute discretion deem fit, without being required to seek any further consent or approval of the members of the Company.”

**By Order of the Board of Directors
For Niyogin Fintech Limited**

**Neha Agarwal
Company Secretary & Compliance Officer
ACS 41425**

Registered office
MIG 944, Ground Floor, TNHB Colony
1st Main Road, Velachery, Chennai
Tamil Nadu- 600042

**Place: Mumbai
Date: September 16, 2020**

NOTES:

1. The following is annexed with this Notice: (i) Explanatory statement pursuant to Section 102 of the Companies Act, 2013 read with Secretarial Standard on General Meetings (SS – 2) issued by the Institute of Company Secretaries of India in respect of the special business. (ii) Instructions for e-voting.
2. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts are appended to this Notice. Notice shall also be available on the website of the Company www.niyogin.com.
3. The Notice is being sent by email to all the shareholders, whose names appear on the Register of Members / List of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) on Friday, September 11, 2020 (“cut-off date”) and who have registered their email addresses in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company’s RTA i.e. Link Intime India Private Limited (LIPL). A copy of this Notice will also be available on the Company’s website www.niyogin.com, on the website of LIPL at <https://instavote.linkintime.co.in> and at the relevant sections of the websites of the stock exchanges on which the shares of the Company are listed.
4. Members who have not registered their e-mail addresses with the Company can now register the same by sending an e-mail to the RTA on rnt.helpdesk@linkintime.co.in. Members holding shares in demat form are requested to register their e-mail addresses with their Depository Participant(s) only.

5. The Company has appointed Mr. Mitesh Shah, practicing Company Secretary (FCS 10070 & CP No: 12891), Proprietor, Mitesh J. Shah & Associates, Company Secretaries, as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose. The Scrutinizer will submit his report after completion of the scrutiny and the results of the postal ballot will be posted on the Company's website www.niyogin.com, on the website of LIPL at <https://instavote.linkintime.co.in> besides communicating to the stock exchanges on which the shares of the Company are listed as on October 16, 2020. In the event that the national lockdown on account of COVID-19 situation is eased off and the Company's offices are open for business, the Company will also display the results of the postal ballot at its registered office and the corporate office. The resolutions, if assented by the requisite majority, shall be deemed to be passed on the last date specified for e-voting, i.e. October 16, 2020, in terms of the Secretarial Standards on General Meeting (SS-2) issued by the Institute of Company Secretaries of India.
6. In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, if any, read with the Rules made thereunder and the provisions of the MCA Circulars, the Company is providing facility for voting by electronic means ("remote e-voting") to all the shareholders of the Company to enable them to cast their votes electronically on the items mentioned in the Notice. For this purpose, the Company has entered into an arrangement with LIPL for facilitating remote e-voting to enable the shareholders to cast their votes electronically instead of physical mode. In terms of the General Circular No.14/2020 dated April 08, 2020 read with General Circular No.17/2020 dated April 13, 2020 and General Circular No.22/2020 dated June 15, 2020 issued by the Ministry of Corporate Affairs, Government of India (the "MCA Circulars"), voting can be done only by remote e-voting.
7. A member cannot exercise his vote by proxy on Postal Ballot.
8. Voting rights shall be reckoned in proportion to the paid-up equity shares registered in the name(s) of the shareholder(s) as on Friday, September 11, 2020. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.
9. The portal will remain open for voting from Thursday, September 17, 2020 (9.00 a.m. IST) to Friday, October 16, 2020 (5.00 p.m. IST) both days inclusive. During this period the shareholders of the Company holding shares either in physical form or dematerialised form, as on the cut-off date may cast their vote electronically. The e-voting module will be disabled by LIPL on October 16, 2020 at 5.00 p.m. (IST). Once vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again.
10. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny and the results of the Postal Ballot will be posted on the Company's website www.niyogin.com and on LIPL's website <https://instavote.linkintime.co.in> and communicated to the stock exchanges where the Company's shares are listed. The resolutions, if assented by the requisite majority, shall be deemed to be passed on the last date specified for e-voting, in terms of the Secretarial Standards on General Meeting (SS-2) issued by the Institute of Company Secretaries of India.
11. All the material documents, if any, referred to in the explanatory statement and documents specifically stated to be open for inspection in the Explanatory Statement, will be posted on the website of the Company www.niyogin.com to facilitate online inspection of relevant documents until October 16, 2020 being the date of announcement of the results of this Postal Ballot.

INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

- (i) Visit the e-voting system of LIPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.

Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:
<input type="checkbox"/> Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: - A. User ID: Enter your User ID • Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID • Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID • Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable. C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
<input type="checkbox"/> Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
<input type="checkbox"/> Click "confirm" (Your password is now generated).
NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIPL: https://instavote.linkintime.co.in , and/or voted on an earlier event of any company then they can use their existing password to login.

- (ii) Click on "Login" tab, available under 'Shareholders' tab.
- (iii) Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
- (iv) After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
- (v) E-voting page will appear.
- (vi) Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- (vii) After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.
- (viii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.
- (ix) **If you have forgotten the password:**
- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
 - Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- (x) In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- (xi) Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.

(xii) The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xiii) For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

(xiv) During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

(xv) Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

(xvi) In case shareholders/ members have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

1. The Scrutinizer shall after the conclusion of voting unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall submit a consolidated scrutinizer's report of the total votes (e-voting & physical) cast in favour or against, if any, not later than 2 (two days after the last date of receipt of postal ballots, to the Chairman or any other Director of the Company authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. The Resolutions, if approved by the requisite majority, shall be deemed to have been passed on the last date of receipt of Postal Ballot Forms /e-voting.
2. The results of the Postal Ballot (including remote e-voting) would be announced as per Note No. 2 by the Chairman or any other Director of the Company authorized by the Board in this regard. The said results would be displayed as per Note No. 2, intimated to LIPL and the stock exchange where the Company's shares are listed and displayed alongwith the Scrutinizer's Report on the Company's website viz. www.niyogin.com.
3. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company at www.niyogin.com and on the website of LIPL immediately after the declaration of result by the Chairman or any other Director of the Company authorized by him in writing. The results shall also be immediately forwarded to the stock exchange.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (HEREINAFTER REFERRED TO AS THE "ACT"):

Item No. 1:

In order to strengthen the capital base of the Company and to accommodate the further issue and allotment of equity shares of the Company¹, it is hereby decided to enhance the authorized capital from INR 98,00,00,000/- (Rupees Ninety Eight Crore Only) divided into 8,90,00,000 (Eight Crore Ninety Lakhs) equity shares of INR 10/- (Rupees Ten Only) each and 90,00,000 (Ninety Lakhs) preference shares of INR 10/- (Rupees Ten Only) each to INR 113,00,00,000/- (Rupees One Hundred and Thirteen Crores Only) divided into 10,40,00,000 (Ten Crore Forty Lakhs) equity shares of INR 10/- (Rupees Ten Only) each and 90,00,000 (Ninety Lakhs) preference shares of INR 10/- (Rupees Ten Only).

The proposed increase in the authorised capital requires the approval of members in general meeting by way of an ordinary resolution. Consequent to the proposed increase in the Authorised Capital of the Company, its Memorandum of Association has to be amended so as to reflect the increase in share capital.

The Board of Directors recommends the Resolution at Item No. 1 of the accompanying Notice for the approval of the Members of the Company as Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise in the proposed resolution set out at Item No. 1 of this Notice.

¹ The Company has initiated the process of issue of equity shares on preferential allotment / private placement basis *vide* postal ballot notice dated August 31, 2020.

As required by Section 102(3) of the Companies Act, 2013, Memorandum of Association of the Company shall be available for inspection at the registered office of the Company during business hours till the conclusion of the postal ballot.

Item No. 2:

Equity based compensation is considered to be an integral part of employee compensation which enables alignment of personal goals of the employees with organizational objectives. Your Company believes that equity-based compensation plans are an effective tool to reward the talents working with your Company.

With a view to motivate the key work force seeking their contribution to the corporate growth, to create an employee ownership culture and to retain them for ensuring sustained growth, your Company intends to implement an employee stock option plan namely 'Niyogin Employee Stock Option Plan 2020' ("ESOP 2020") seeking to reward eligible employees and eligible Directors of the Company.

Accordingly, the Board of Directors of the Company at their respective meetings held on September 16, 2020 have approved the introduction of ESOP 2020, subject to the approval of members of the Company.

In terms of Section 62(1)(b) of the Companies Act, 2013 (as amended from time to time) read with Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (as amended from time to time) ("SEBI SBEB Regulations"), the Company seeks your approval by way of special resolution as regards to implementation of ESOP 2020 and grant of options thereunder to the eligible employees and eligible directors of the Company as decided from time to time as per provisions of ESOP 2020 read with SEBI SBEB Regulations.

The Scheme will be operated and administered under the superintendence of the Company's Nomination and Remuneration Committee, which is a Committee of the Board of Directors, the majority of whose Members are Independent Directors. The Nomination and Remuneration Committee ('Committee') will formulate the detailed terms and conditions of the Scheme including:

- Number of options to be granted to any Employee, and in the aggregate;
- Terms on which the options will vest;
- The conditions under which options vested in Employees may lapse, in case of termination of Employees for misconduct;
- The exercise period within which an Employee should exercise the options, and lapsing of options on failure to exercise the options within the exercise period and determination of exercise price which may be different for different class/ classes of Employees falling in the same tranche of grant of Options issued under ESOP-2020;
- The specified time period within which the Employee shall exercise the vested options in the event of termination or resignation of the Employee;
- The right of an Employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
- The procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of rights issues, bonus issues and other corporate actions;
- The grant, vesting and exercise of options in case of Employees who are on long leave; and
- Any other related or incidental matters.

The salient features of ESOP 2020 are set out as per SEBI circular and are as under:

(a) Brief Description of the Scheme – ESOP 2020

ESOP 2020 is intended to reward the Eligible Employees [as described under clause (c) herein below], for their performance and to motivate them to contribute to the growth and profitability of the Company. ESOP 2020 will help to retain talent in the organization as the Company views stock options as an instrument that would enable the Eligible Employees to share the value they create for the Company and align individual objectives with the objectives of the Company in the years to come. All questions of interpretation of ESOP 2020 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in ESOP 2020.

(b) The total number of options, shares or benefits, as the case may be, to be granted:

The total number of options that may, in the aggregate, be issued would be such number of options which shall entitle the option holders to acquire in one or more tranches upto 50,00,000 fully paid-up equity shares of Rs. 10 each (or such other adjusted figure for any bonus, stock splits or consolidations or other re-organisation of the capital structure of the Company as may be applicable from time to time).

SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale or division, and others, a fair and reasonable adjustment needs to be made to the Options granted. Accordingly, if any additional Equity Shares are issued by the Company to the Option grantees for making such fair and reasonable adjustment, the above ceiling Shares shall be deemed to be increased to the extent of such additional equity shares issued subject to compliance of the SEBI SBEB Regulations.

Vested options lapsed due to non-exercise and/or unvested options that get cancelled due to resignation of Option grantees or otherwise, would be available for being re-granted at a future date. The Board is authorized to re-grant such lapsed / cancelled options as per the provisions of ESOP-2020.

(c) Identification of classes of employees entitled to participate and be beneficiaries in the Scheme

All permanent employees of the Company working in India or out of India and Directors (whether Managing/Whole time Director or not) (present or future) (excluding promoters and an employee who is a Promoter or a person belonging to the Promoter Group) and further excluding a director who either by himself or through his relative or through any Body Corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company and excluding Independent Directors as may be decided by the Nomination and Remuneration Committee.

The class of Employees eligible for participating in the Scheme shall be determined on the basis of the grade, number of years' service, performance, role assigned to the employee and such other parameters as may be decided by the Nomination and Remuneration Committee in its sole discretion from time to time.

The options granted to an Employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

(d) Requirements of vesting and period of vesting

Vesting of options may commence after a period of not less than 1 (one) year from the date of grant. The vesting may occur in one or more tranches, subject to the terms and conditions of vesting, as stipulated in the ESOP-2020.

Following table shall be applicable in case of various scenarios (during employment) for vesting and exercising:

Sr. No.	Separations	Vested Options	Unvested Options
1	Resignation	All Vested Options as on date of submission of resignation may be exercised by the Option Grantee on or before his last working day with the Company.	All Unvested Options on the date of submission of resignation shall stand cancelled with effect from that date.
2	Termination (With or without cause)	All Vested Options which were not allotted at the time of such termination shall stand cancelled with effect from the date of such termination.	All Unvested Options on the date of such termination shall stand cancelled with effect from the termination date.
3	Retirement or early Retirement approved by the Company	All Vested Options as on date of retirement may be exercised by the Option Grantee within permitted exercise period .	All Unvested Options shall vest as per original vesting schedule and may be exercised by the Option Grantee within permitted exercise period .
4	Death	All Vested Options may be exercised by the Option Grantee's nominee or legal heir immediately after, but in no event later than 6 months from the date of Death.	All the Unvested Options as on the date of death shall vest immediately and may be exercised by the Option Grantee's nominee or legal heir/s within 6 months from the date of Death.

5	Permanent Disability	All Vested Options may be exercised by the Option Grantee or, if the Option Grantee is himself, unable to exercise due to such disability, the nominee or legal heir, immediately after, but in no event later than 6 months from the date of such disability.	All the Unvested Options as on the date of such Permanent Disability shall vest immediately and can be exercised by the Option Grantee or, if the Option Grantee is himself unable to exercise due to such incapacity, the nominee or legal heir immediately after, but in no event later than 6 months from the date of such disability.
6	*Abandonment	All the Vested Options shall stand cancelled .	All the Unvested Options shall stand cancelled .
7	*Other reasons apart from those mentioned above	The Committee shall decide whether the Vested Options as on that date can be exercised by the Option Grantee or not, and such decision shall be final and binding.	All Unvested Options on the date of separation shall stand cancelled with effect from that date.

*The Board/ Committee, at its sole discretion shall decide the date of cancellation of Option's and such decision shall be binding on all concerned. The equity shares issued upon exercise of options shall be subject to such lock-in after such exercise as may be detailed in the ESOP 2020 Scheme.

(e) Maximum period within which the options shall be vested

The maximum vesting period may extend up to 10 (Ten) years from the date of grant of options, unless otherwise decided by the Nomination and Remuneration Committee.

(f) Exercise price or pricing formula

Exercise Price means the price at which the Option Grantee is entitled to acquire the equity shares pursuant to the options granted and vested in him/her under the Scheme.

The Exercise Price shall be equal to Rs. 10/- (Rupees Ten only) per option or any other price as may be decided by the Committee. In any case, the Exercise Price per Option shall not be less than the face value of shares and it may be different for different class/ classes of Employees falling in the same tranche of grant of Options issued under ESOP– 2020.

(g) Exercise period and process of exercise

The Exercise period shall not be more than 5 (five) years from the date of respective vesting of Options. The options granted may be exercised by the Grantee at one time or at various points of time within the exercise period as determined by the Committee from time to time.

The Vested options shall be exercisable by the employees by a written application or by any electronic mode (which will include making applications online using any ESOP administration software) to the Company expressing his/ her desire to exercise such options in such manner and on such format as may be prescribed by the Nomination and Remuneration Committee from time to time. The options shall lapse if not exercised within the specified exercise period. The options may also lapse, under certain circumstances even before the expiry of the specified exercise period.

Payment of the Exercise Price and the applicable taxes shall be made by a crossed cheque or a demand draft drawn in favour of the Company, or by any other payment methods prevalent in RBI recognized banking channels or in such other manner and subject to such procedures as the Board/Committee may decide.

(h) Appraisal Process for determining the eligibility of Employees to the Scheme.

The appraisal process for determining the eligibility of the Employee will be specified by the Nomination and Remuneration Committee and will be based on criteria such as the grade of Employee, tenure of association with the Company, performance record, merit of the Employee, future potential contribution by the Employee and/or by any such criteria that may be determined by the Nomination and Remuneration Committee.

(i) Maximum number of options to be issued per Employee and in the aggregate

The number of Options that may be granted to any specific employee under ESOP 2020 shall not exceed the number of Shares equivalent to 1% of the Issued Share Capital of the Company and in aggregate if the prior specific approval from members of the Company through a special resolution to this effect is not obtained. Further, the Committee may identify certain Employee(s) to whom it may be necessary to grant ESOPs/ stock options exceeding one per cent in one year to ensure continuity of their service with the Company. The resolution as set out in Item No. 3 provides that the Company may grant ESOPs/ stock options equal to or exceeding 1% of the issued, subscribed and paid-up capital of the Company (excluding outstanding warrants and conversions) at the time of grant of ESOPs, during any one year to the Employee(s) identified by the Committee.

(j) Maximum quantum of benefits to be provided per employee under the scheme

The maximum quantum of benefits to be provided per Employee under the ESOP 2020 shall be decided by the Committee.

(k) Terms of the scheme:

- (1) The Company shall not vary the terms of the schemes in any manner, which may be detrimental to the interests of the Option Grantees: Provided that the company shall be entitled to vary the terms of the schemes to meet any regulatory requirements.
- (2) Subject to the proviso to sub-regulation (1), the company may by special resolution in a general meeting vary the terms of the schemes offered pursuant to an earlier resolution of the general body but not yet exercised by the employee provided such variation is not prejudicial to the interests of the Option Grantees.
- (3) The notice for passing special resolution for variation of terms of the scheme shall disclose full details of the variation, the rationale therefore, and the details of the Option Grantees who are beneficiaries of such variation.
- (4) The Company may re-price the options as the case may be which are not exercised, whether or not they have been vested if the terms of the grants were rendered unattractive due to fall in the price of the shares in the stock market; Provided that the company ensures that such re-pricing shall not be detrimental to the interest of the Option Grantees and approval of the shareholders in general meeting has been obtained for such re-pricing.

(l) Transferability of Employee Stock Options:

- (i) The Options granted to an employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of the Option Grantee, the right to exercise all the Options granted to him till such date shall be vest in his legal heirs or nominees.
- (ii) In the event of resignation or termination of the Option Grantee, all the options which are granted and yet not vested as on that day shall lapse.
- (iii) In the event that an Option Grantee who has been granted benefits under a scheme is transferred or deputed to subsidiary company prior to vesting or exercise, the vesting and exercise as per the terms of grant shall continue in case of such transferred or deputed employee even after the transfer or deputation.

(m) Certificate from auditors

The Board of Directors shall at each annual general meeting place before the shareholders a certificate from the auditors of the company that the scheme(s) has been implemented in accordance with the prescribed regulations and in accordance with the resolution of the company in the general meeting.

(n) Implementation and administration of the Scheme

The Scheme will be implemented and administered directly by the Company under the guidance of the Nomination and Remuneration Committee of the Board.

(o) Whether scheme involves new issue of shares by the Company or Secondary acquisition by the trust

The Scheme will involve only new issue of shares by the Company.

(p) Maximum percentage of secondary acquisition

This is not relevant under ESOP 2020

(q) Disclosure and accounting policies

The Company shall conform to the accounting policies specified by Securities & Exchange Board of India as per the SEBI (SBEB) Regulations, amended from time to time and relevant Accounting Standard as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time.

(r) Method of option Valuation

The Company follows fair value method for computing the compensation cost, if any, for the options granted. The company will follow IFRS/ IND AS/ any other requirements for the same.

(s) Rights of the option holder

The employee shall not have right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of option granted to him, till shares are allotted upon exercise of option.

(t) Consequence of failure to exercise option

All unexercised options shall lapse if not exercised on or before the exercised period ends. The amount payable by the employee, if any, at the time of grant of option,

- (i) may be forfeited by the company if the option is not exercised by the employee within the exercise period; or
- (ii) may be refunded to the employee if the options are not vested due to non-fulfilment of conditions relating to vesting of option as per the Scheme.

(u) Other terms

- The Board or Nomination and Remuneration Committee shall have the absolute authority to vary, modify or alter the terms of the Scheme in accordance with the regulations and guidelines as prescribed by the Securities and Exchange Board of India or regulations that may be issued by any appropriate authority, from time to time, unless such variation, modification or alteration is detrimental to the interest of the Option Grantees.
- The Board or Nomination and Remuneration Committee may, if it deems necessary, modify, change, vary, amend, suspend or terminate the ESOP - 2020, subject to compliance with the Applicable Laws and Regulations.
- The shares may be allotted directly to the Option Grantees in accordance with the Scheme and such Scheme may also contain provisions for providing financial assistance to the Employees to enable the Employees to acquire or subscribe to the shares.

(v) Declaration

In case, the Company opts for expensing of share based employee benefits using the intrinsic value, 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.

Regulation 6(1) of SEBI (SBEB) Regulations requires that every employee stock option scheme shall be approved by the members of the company by passing a special resolution in a general meeting. Further, as ESOP 2020 will entail further issue of shares, consent of the members is required by way of a special resolution pursuant to Section 62(1)(b) of the Companies Act, 2013. Accordingly, the Special Resolution set out in this Notice is proposed for approval by members.

Directors / Key Managerial Personnel of the Company who may be granted Options under ESOP 2020 may be deemed to be concerned or interested in the Special Resolution stated in this Postal Ballot Notice. Save as aforesaid, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way except to the extent of their shareholding in the Company, concerned or interested, financially or otherwise, in the said Special Resolution.

The Board commends the Special Resolution set out in this Postal Ballot Notice for approval by the members.

Item No. 3

Considering the scale of business of the Company and the responsibilities, contribution and on-going efforts of the employees of the Company, the Board based on the recommendation of the Nomination and Remuneration Committee and the Audit Committee (as applicable) of the Company, has recommended for approval of the members, the grant of stock options to employees of the Company under Niyogin - Employee Stock Option Plan 2020 (ESOP 2020), equivalent to or exceeding 1% of the issued share capital of the Company during any year, the details of which are mentioned in the proposed resolution as set out in Item No. 3 of this Notice.

None of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution set out at Item No. 3 of this Notice.

The Board recommends passing of the resolutions as set out under Item No.3 of the Notice for approval of the members as a special resolution.

**By Order of the Board of Directors
For Niyogin Fintech Limited**

**Neha Agarwal
Company Secretary & Compliance Officer
ACS 41425**

Registered office

MIG 944, Ground Floor, TNHB Colony
1st Main Road, Velachery, Chennai
Tamil Nadu- 600042

Place: Mumbai

Date: September 16, 2020