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JM Financial Asset Reconstruction Company Limited (JMFARC)

Corporate Presentation

October 2017

Safe Harbour

This presentation and the following discussion may contain "forward looking statements" by JM Financial Asset Reconstruction Company Limited ("JMFARC") that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives are based on the current beliefs, assumptions, expectations, estimates and projections of the management of JMFARC about the business, industry and markets in which JMFARC operates.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond JMFARC's control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements.

Such statements are not and should not be construed as a representation of future performance or achievements of JMFARC. In particular, such statements should not be regarded as a projection of future performance of JMFARC. It should be noted that the actual performance or achievements of JMFARC may vary significantly from such statements.

Business Highlights

Strong Balance Sheet and Strong Sponsors

- JMFARC is the 3rd largest capitalised ARC with net worth of Rs. 605 Crore (as on September 30, 2017)
- JM Financial Ltd is the holding company with 50.01% holding, balance equity held by Banks, HNIs & FII
- 70.01% stake is held by Sponsors (JM Financial Ltd – 50.01% and Sekhsaria / Neotia Family – 20%)

Acquisitions & Resolutions

- Aggregate dues of Rs. 30,753 Crore acquired till September 30, 2017 at a price of Rs. 13,968 Crore
- JMFARC's cash investment of Rs. 2,756 Crore till September 30, 2017
- Total recovery from acquired assets Rs. 2,929 Crore till September 30, 2017 with focus on turnaround of underlying companies
- Acquisition Activities : Acquisition/ Pre-Acquisition Due Diligence (both Legal & Financial) is conducted in-house
- Resolution and Recovery related activities are conducted in-house and not outsourced to any external agencies

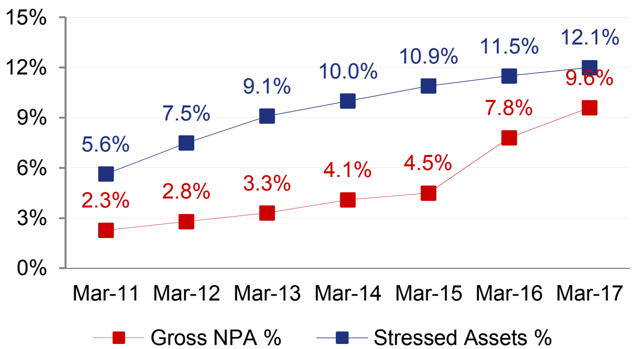
Team Strengths

- Highly professional team of 66 personnel comprising professionals having a wide and varied experience from the banking, asset reconstruction, consultancy and legal background.
- Team comprises of personnel having experience varying from minimum experience of less than 1 year to maximum experience of more than 45 years.
- Of the total number of employees, approximately 1/3rd of the total number have been with the company for more than 5 years.
- Team is fairly balanced with ~1/3rd of professionals involved in legal activities, acquisition related activities and resolution activities respectively
- Corporate Office in Mumbai. Branches in Delhi, Bangalore, Kolkata, Hyderabad (w.e.f.15.11.2017) and Borivali (Mumbai)

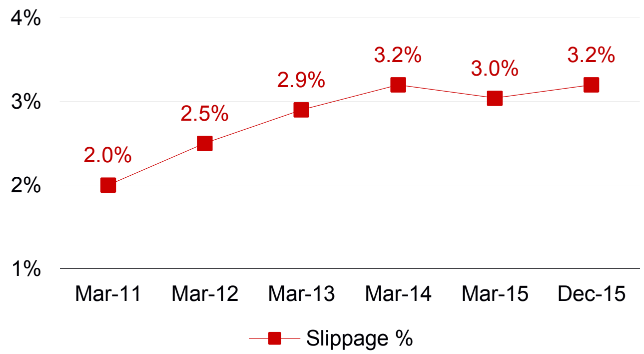
Industry Overview

Stress in the Indian Banking Sector

Stressed assets
(%)

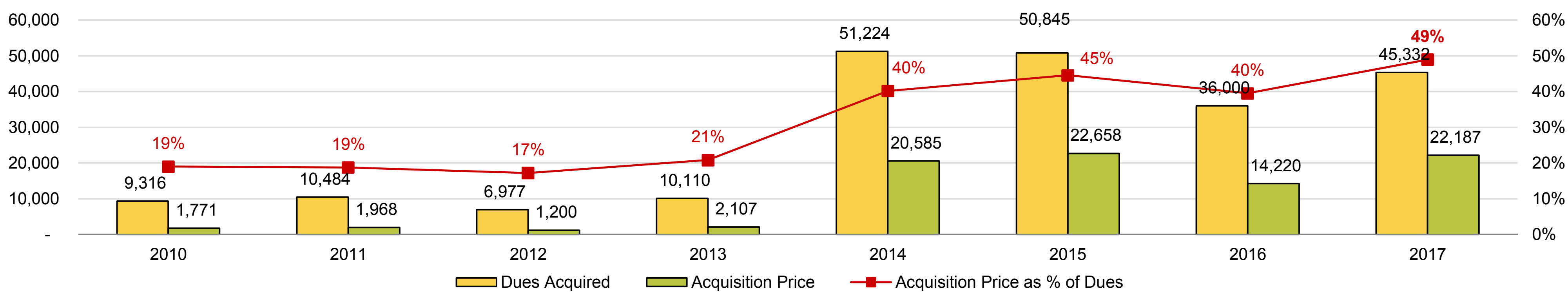


Slippages
(%)



- The macro stress tests suggest that under the baseline scenario, the GNPA ratio may rise to 10.2 per cent by March 2018 (RBI's Financial Stability Report)
- Pursuant to the promulgation of the Banking Regulation (Amendment) Ordinance, 2017, RBI constituted an Internal Advisory Committee (IAC). On the recommendation of the IAC, RBI directed banks to file proceedings under the IBC in respect of 12 accounts comprising about 25% of the current GNPAs
- Total Stressed Advances as on March 2017 at 12.1% as compared to 12.3% in Sept 2016

Sale of Assets to ARCs
Rs Crore

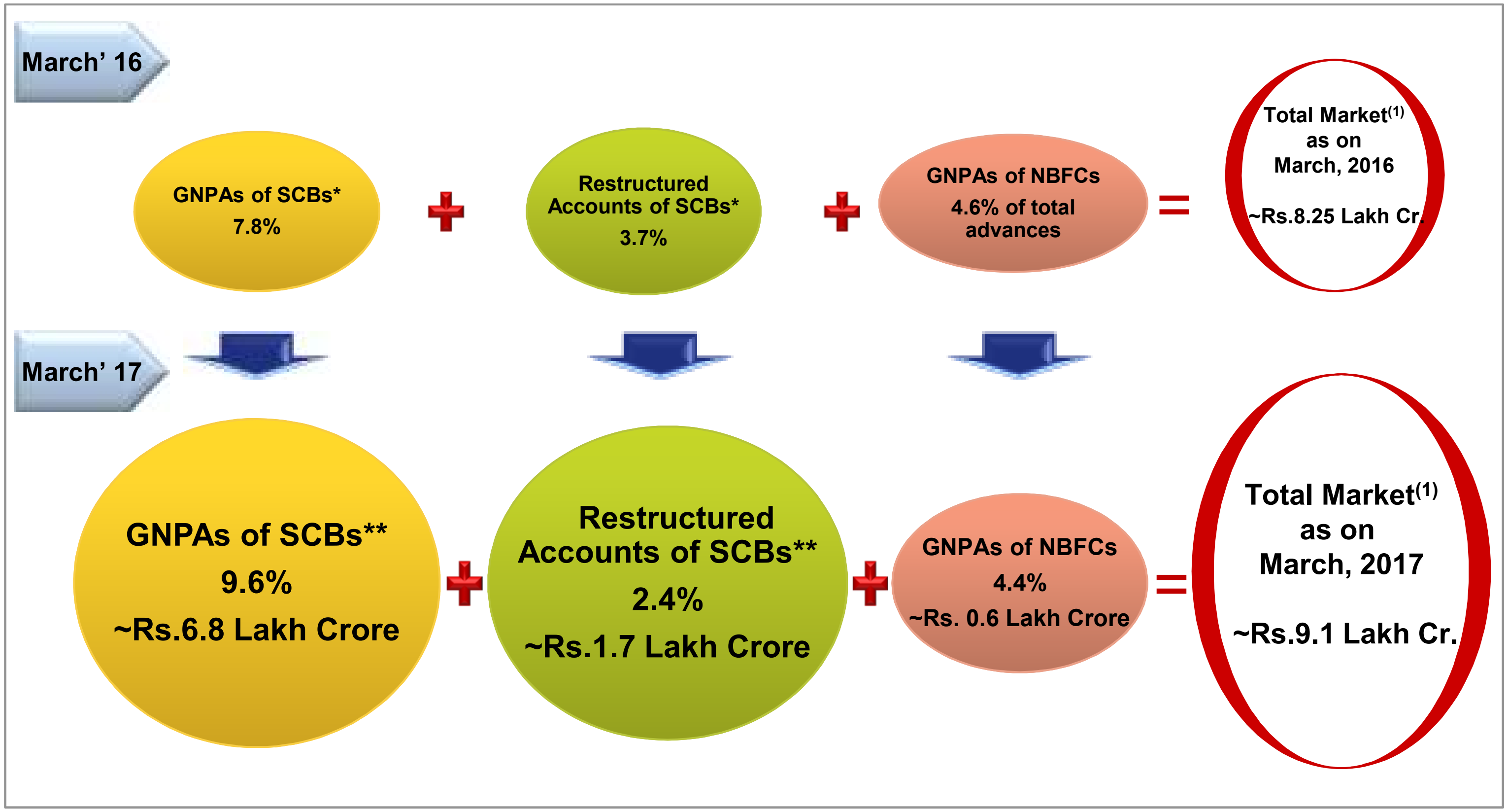


NPA sale to ARCs to increase as Banks attempt to clean books faster aided by Regulatory push

Source Reserve Bank of India Reports; Research Reports, Banks' Annual Reports; Industry sources
Note SCBs refer to Scheduled Commercial Banks, PSBs refer to Public Sector Banks
FY 16 figures for Dues acquired are as per industry estimates

Opportunity Becomes Bigger (from March 2016 – March 2017)

- Big opportunity for ARCs given the high level of NPAs, expected slippage in restructured assets and the mounting pressure on Banks to off-load NPAs
- Presently, Banks are attempting to offload large corporate accounts
- Typically such cases also pose requirement for additional investments for revival in the form of critical Capex, Working Capital, etc.
- Given the higher capital requirement (Tier I), PSU Banks need to raise vis-à-vis lower capital commitment from GOI, Banks may be forced to sell more NPAs to clean up their asset book



Huge business opportunity in the distressed assets space

The total pie of NPAs have increased since March 2016 even after RBIs Asset Quality Review

Source : RBI Publications/Reports

Note : * As a % of Gross Bank Credit of Rs.66,50,000 Crore as on March 2016; Gross Advances of NBFCs for March 2016 is as per estimates
** As a % of Gross Bank Credit of Rs.71,39,700 Crore as on March 2017; Gross Advances of NBFCs for March 2017 is as per estimates

(1) The above estimate is a derived figure from various reports published by RBI and other Industry Sources

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Current Regulatory Regime

RBI Notification on Statement on Developmental and Regulatory Policies

- In view of the enhanced role of ARCs and greater cash based transactions, RBI has notified a minimum NOF of Rs.100 Crore for ARCs.

FDI Changes

- FDI allowed upto 100% in ARCs
- No Government approval required
- FIIs allowed to invest up to 100% of each tranche of SRs (without any cap for single FII holding)
- FIIs are allowed to invest upto 10% in equity shares of ARCs
- Budget 2017 – The Government has proposed Listing and Trading of SRs issued by ARCs
- Capital commitments by many large foreign funds

SARFAESI Amendments - 2016

- Non institutional investors allowed to invest in SRs
- Sponsors allowed to go beyond 50% in total capital of an ARC
- Conversion of debt into equity permitted as a measure of asset reconstruction
- Assignment of debts to ARCs exempted from payment of stamp duty

Timelines for Stress Asset Resolution

- 60% creditors by value and 50% creditors by number have to agree to a restructuring plan
- Stand of participating banks while voting on the final proposal before JLF shall be unambiguous and unconditional
- Any bank which doesn't support majority decision may exit the JLF if not it shall abide the decision of the JLF
- The Boards shall empower their executives to implement the JLF decision without requiring further approval from the Board

Regulatory Game Changer – 2016

RBI's September 2016 guidelines on sale of stressed assets by banks

Policy for selling banks	• Banks to maintain an identified list of assets for sale • Assignment to players other than ARCs permitted • Stricter norms for valuation of assets
Investment in SRs by selling banks	• **FY18:** Stricter provisioning on investment beyond 50% • **FY19:** Threshold of 50% investment reduced to 10%
Debt Aggregation by ARCs	• First right of refusal to ARCs holding significant share in the asset • Swiss Challenge Method
Buyback of Financial Assets	• Banks permitted to take over restructured assets from ARCs • Banks cannot take over assets that were sold by them to the ARC
SARFAESI Applicable to NBFCs	• Notified by Ministry of Finance • Enforcement of Security Interest to be applicable only to loans above Rs 1 Crore

Further emphasizes the resolve of Regulator and Government towards improving the stretched NPL position

Current Regulatory Regime

Insolvency and Bankruptcy Code – 2016 (Code)

Bankruptcy & Insolvency Adjudicator	• National Company Law Tribunal governs Corporate Entities • Debt Recovery Tribunal governs Individuals and Partnership Firms
Insolvency Regulator	• Insolvency and Bankruptcy Board of India will be governing body for all the insolvency proceedings in the country • With effect from December 1,2016 BIFR and AAIFR stands dissolved
Insolvency Resolution Professionals	• Identifies financial creditors and constitutes a creditors committee – 75% majority vote • Creditors committee has to decide to proceed with a revival plan or liquidation within a period of 180 days which may be extended for a period not exceeding 90 days
Insolvency Resolution Process	• Application on Default • Appointment of an Insolvency Professional • Moratorium period (180/270 days) • Formation of Credit Committee • Goes into Resolution Plan / Liquidation
Liquidation Process	• Application on Default • IP may act as Liquidator • Formation of a Liquidation Trust • Invite claims from creditors • Current bankruptcy regime is highly fragmented with multiple judicial forums • Dissolution of the Corporate Debtor • **Dues of secured creditors and workmen shall have priority over Statutory dues and all other dues**

SEBI Guidelines on Acquisition of Distress Assets under NCLT

- The new investor will be exempted from making open offers after buying stakes from lenders, however such exemptions shall be subject to following conditions :-
  1. Approval by the shareholders of the company by special resolution
  2. Lock – in of their shareholding for a minimum period of 3 years
- The relaxations would also be applicable for acquisitions pursuant to resolution plans approved by NCLT under the Insolvency and Bankruptcy Code 2016.

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JMFARC Overview

Summary of Assets Acquired & Outstanding

as on September 30, 2017

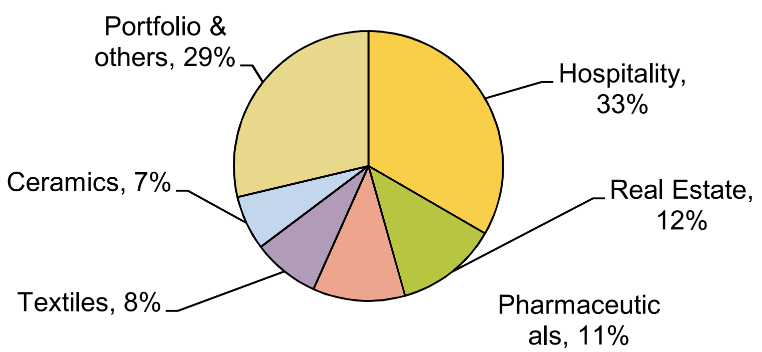
Assets Acquired - Gross

- Acquired financial assets of Rs. 30,753 Crore (Total dues)
- Cost of acquisition Rs. 13,968 Crore
- No of trusts: 150
- No of banks/FIs: 67
- Contribution by JMFARC in acquisitions Rs. 2,756 Crore

Security Receipts Outstanding

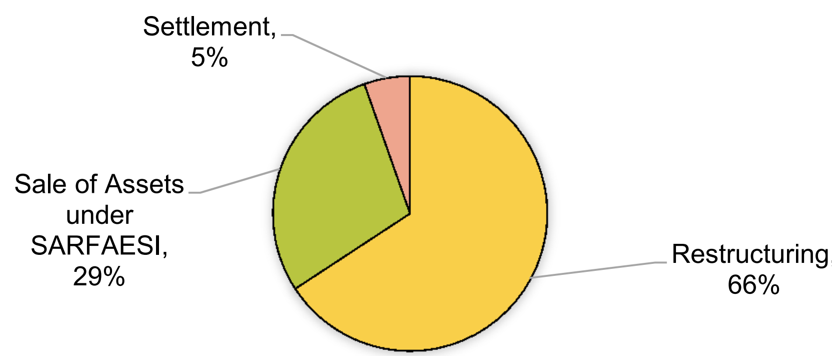
- SRs subscribed by JMFARC and Others - Rs. 12,469 Crore
- SRs subscribed by JMFARC - Rs.1,746 Crore

Industry - wise Exposure



Outstanding SRs – Rs.12,469 Crore – September 30, 2017

Proposed Recovery Strategy of Outstanding SRs (existing AUM)

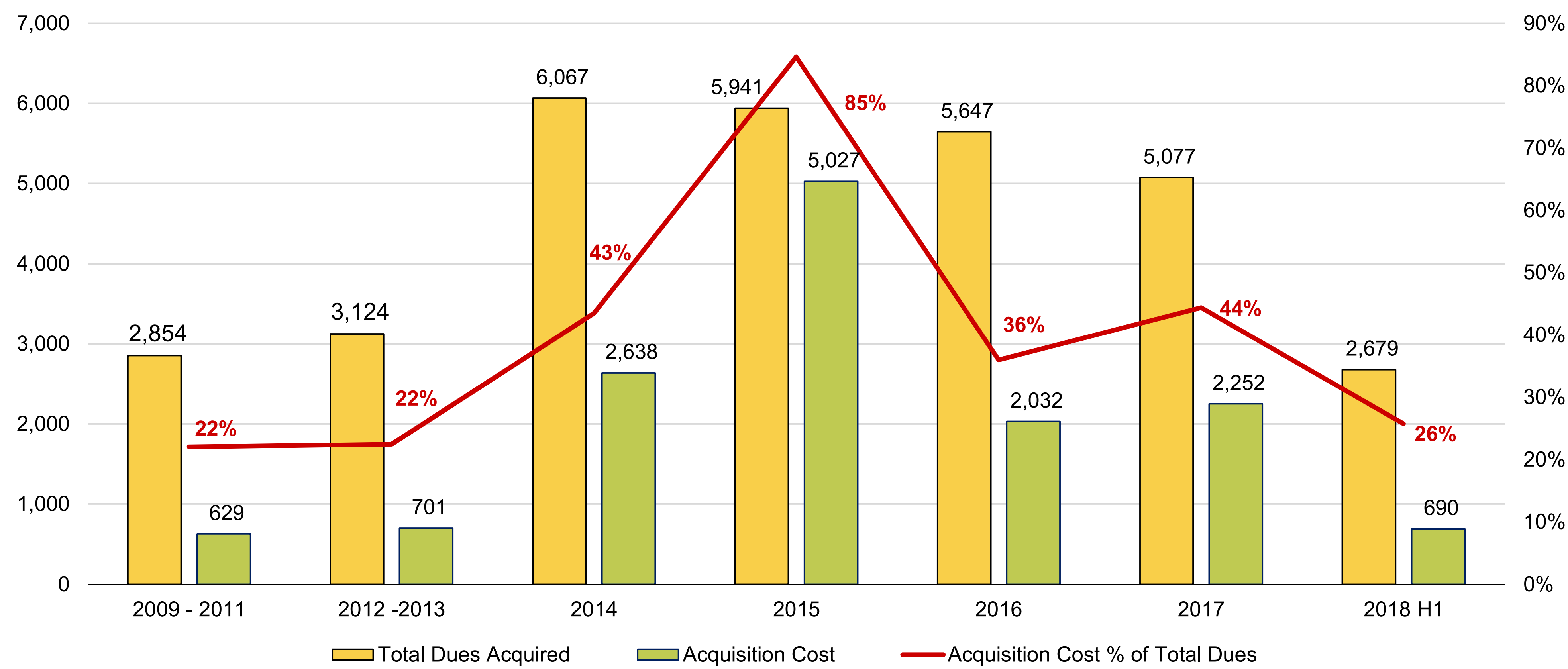


Outstanding SRs - Rs.12,469 Crore – September 30, 2017

Acquisitions Over the Years

INR Crore

Total Dues, Acquisition Cost & Acquisition cost as % of Total Dues



Cumulative Acquisition Cost ~46% of Total Dues acquired over the years

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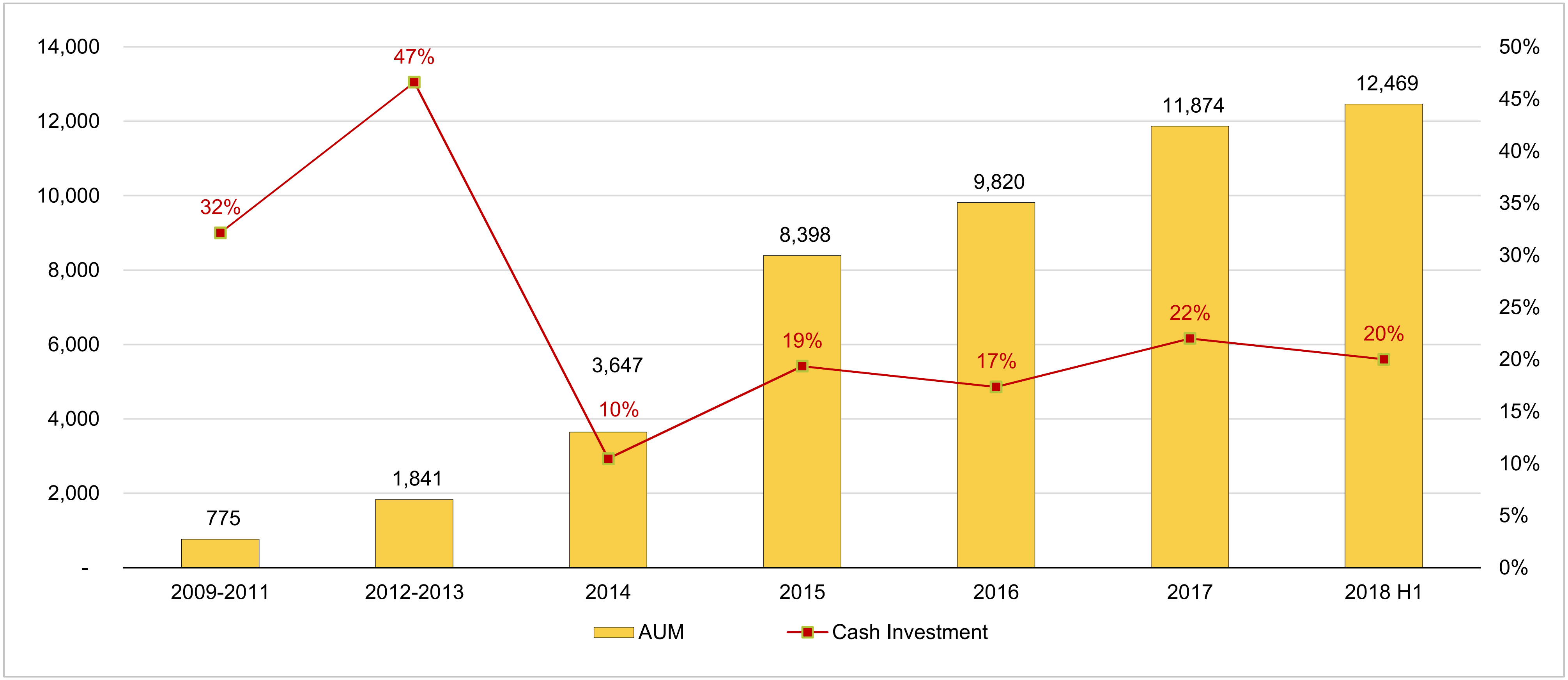
AUM vs Cash Investment

INR Crore

AUM Vs Cash Investment as % of Total Acquisition Cost



Trend of JMFARC's Cash Investments is set to change going forward under the new Guidelines on Sale of Assets

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Resolution and Recoveries

Resolution Strategy

- Capital / Business restructuring as required with existing management
- Additional financing
- Sale of Core / Non-Core Asset
- Change of Management
  - Difficult in current Indian scenario but likely to change post full implementation of Insolvency & Bankruptcy Code 2016
- Assets resolved: Total SRs redeemed Rs. 1,472 Crore, JMFARC SRs redeemed Rs. 1,003 Crore

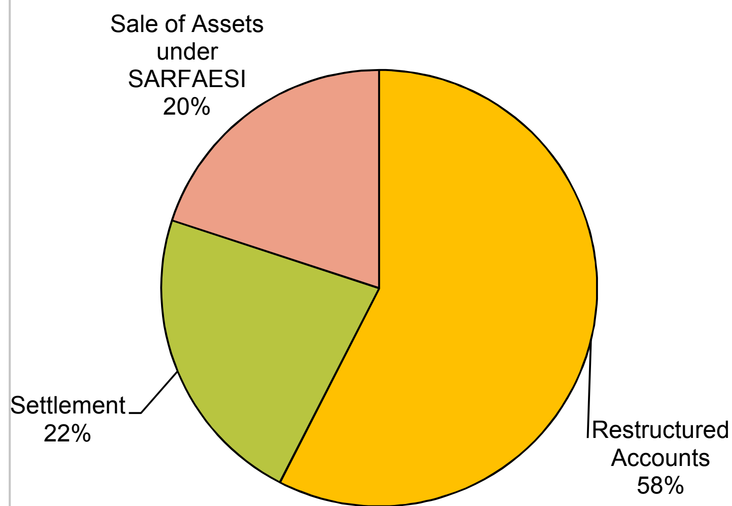
Monitoring Mechanisms

- Fortnightly / Monthly monitoring of operations
- Appointment of external agencies, if required (for TEV studies and valuations)
- Regular Site / Company visits
- Controls – Cash flow escrow mechanism etc
- Board representation wherever required

Exit Strategies

- Complete repayment from business operations
- Complete repayment from Sale of Assets
- Mix of the above two - Part repayment from business operations and part from sale of assets

Cumulative recovery till September 30, 2017
Rs.2,929 Crore



Focus on Restructuring and turnaround

Recovery Over the Years

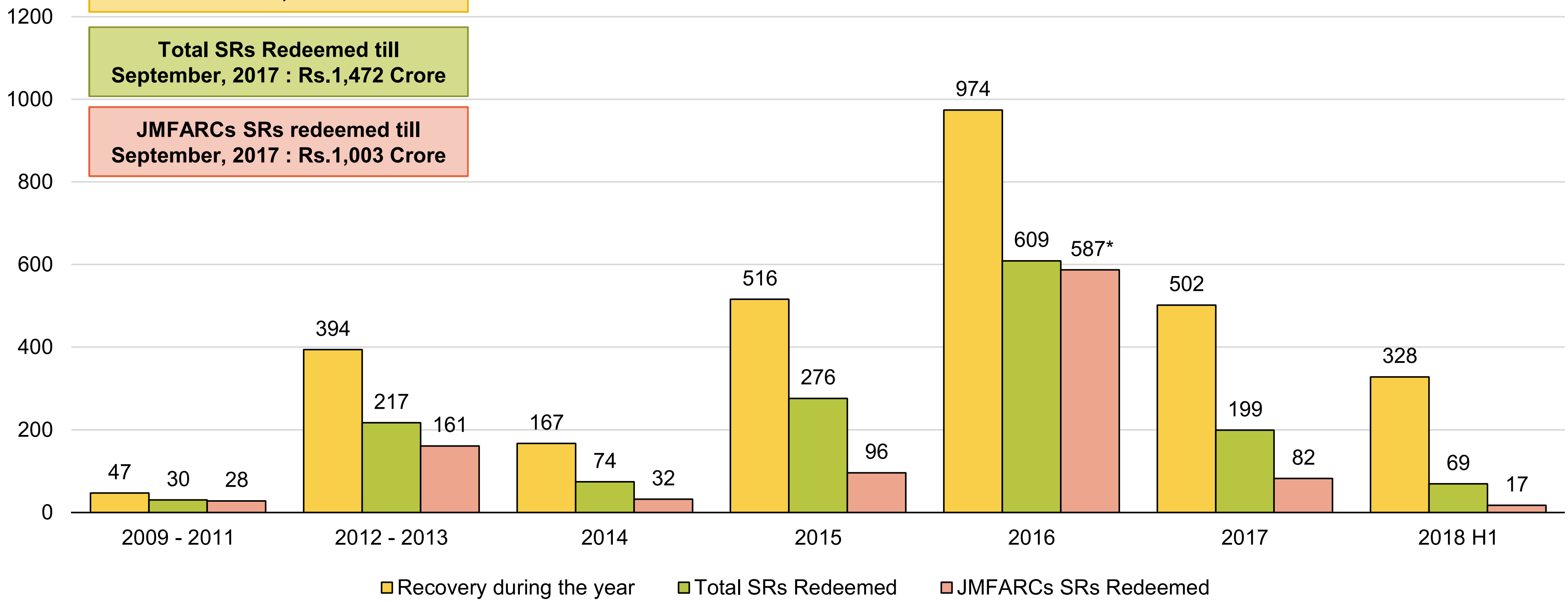
INR Crore

Total Recovery & Security Receipts Redeemed

Total Recovery till September, 2017 : Rs.2,929 Crore

Total SRs Redeemed till September, 2017 : Rs.1,472 Crore

JMFARCs SRs redeemed till September, 2017 : Rs.1,003 Crore



Consistent Track Record of Recovery and Redemption

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** JMFARC SRs redeemed includes SR sale of Rs 212 crore*

Accounting for JMFARC

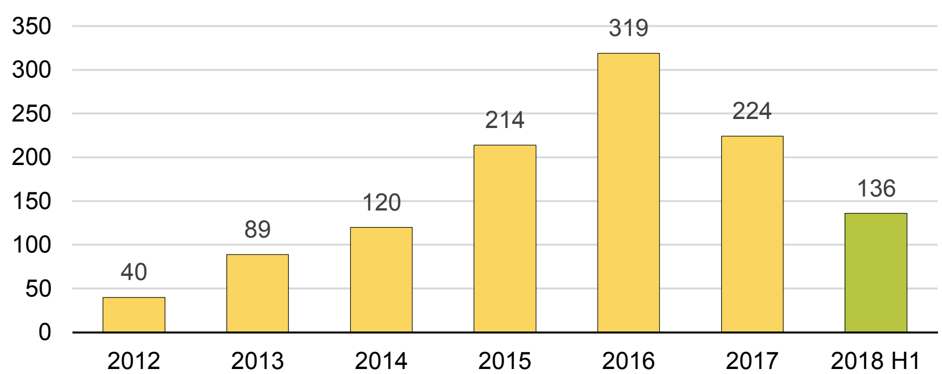
Accounting Framework	• Accounting within the framework of Accounting Standards issued by ICAI • Specific accounting guidelines for ARCs by RBI • Conservative accounting philosophy
Revenue Recognition	• Main items of revenue - Management Fees, Interest and Upside/ Profit • The recognition of revenue is as per the terms of the contract of specific trusts • Management Fees is charged as fixed percentage of the NAV of SRs (lower rating range) or AUM if NAV is not available. • On cash investments by JMFARC, income is booked only after 100% redemption of SRs. • Upside / Profit recognised on realisation after redemption of SRs
Valuation of Investment in SRs	• SRs are classified as 'available for sale' as per the RBI guidelines • Valuation of SRs are at cost or realisable value whichever is lower on a global basis for all SRs • Latest declared NAV is considered as realisable value. NAV is declared every six months. • Gross impairment on global basis, if any is charged to P&L whereas gross appreciation is ignored
Provision/ write off of receivables and investments	• Unrealised management fees outstanding over 6 months from the end of planning period or 6 months from the date of recognition (after the planning period) is reversed (as per RBI guidelines) • Similarly expenses recoverable from trust are to be charged to P&L as per RBI guidelines if the same remains unrealised after 6 months from the end of planning period or 6 months from the date of incurrence • SR investments in Trusts which have exceeded 5 years (or 8 years with 3 year extension by the Board) has to be fully written off as per RBI guidelines

Income and Profitability have inherent lumpiness due to the nature of business

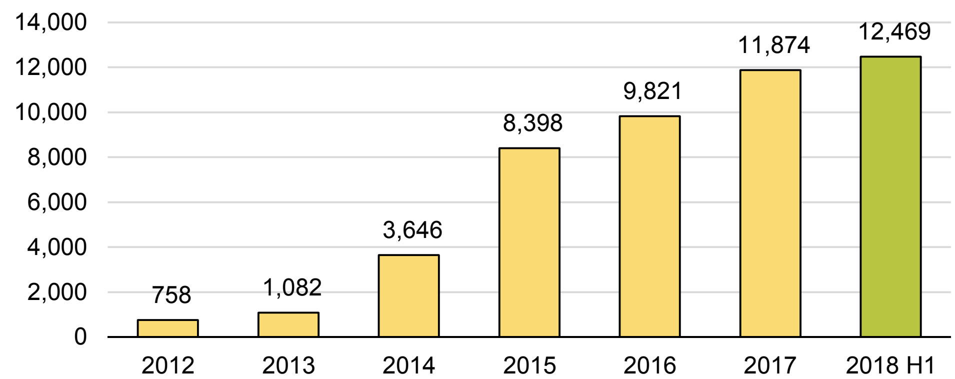
JMFARC Financial Performance

Last 7 years trend

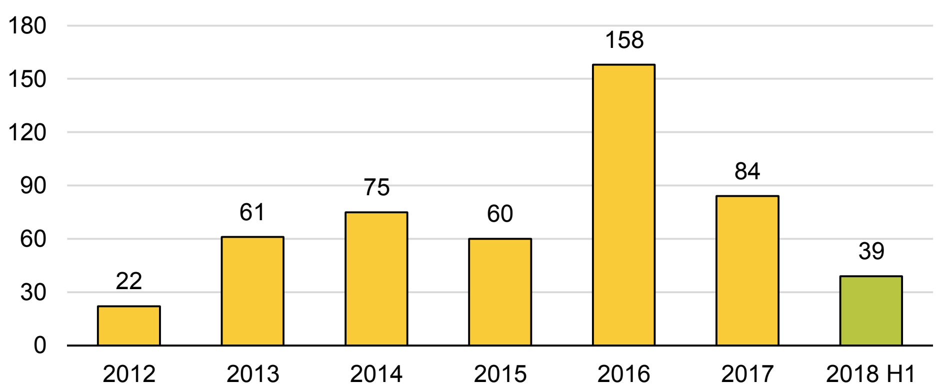
Total Income
(Rs.Crore)



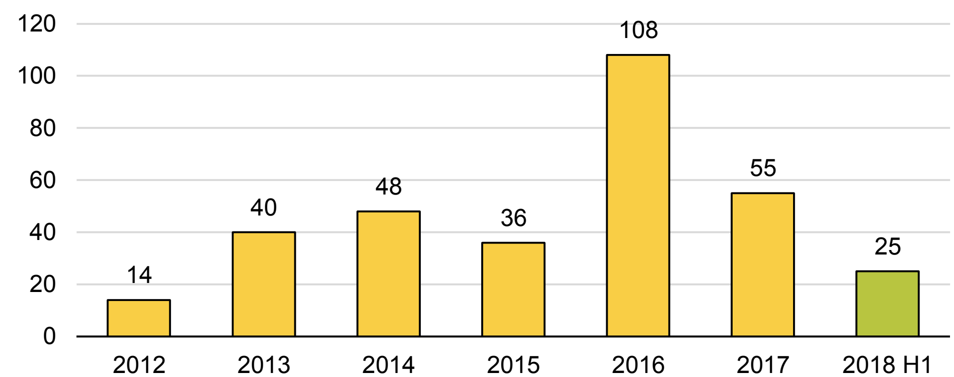
AUM
(Rs.Crore)



Profit Before Tax
(Rs. Crore)



Profit After Tax
(Rs.Crore)

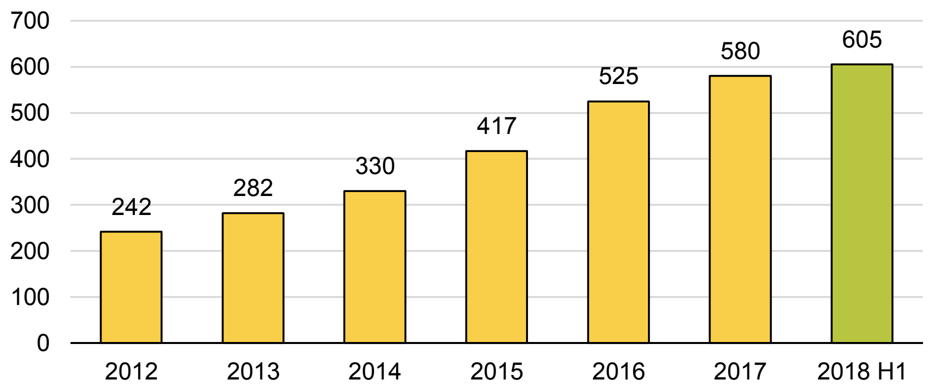


Note: Above information is based on financial year i.e. year ended March 31

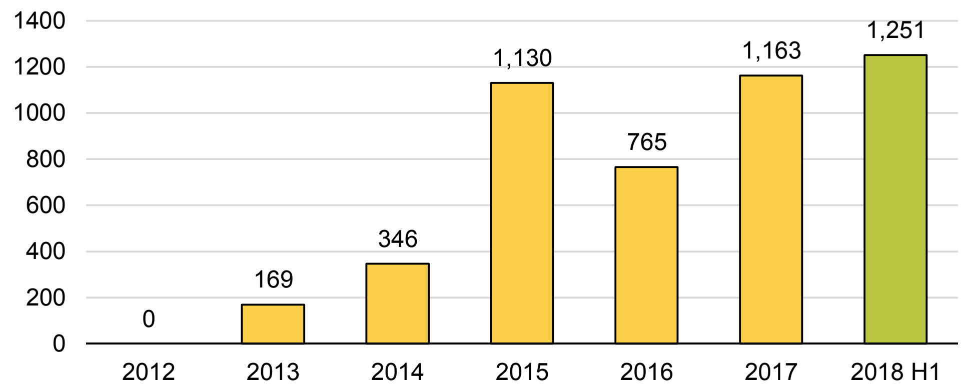
JMFARC Financial Performance

Last 7 years Trend

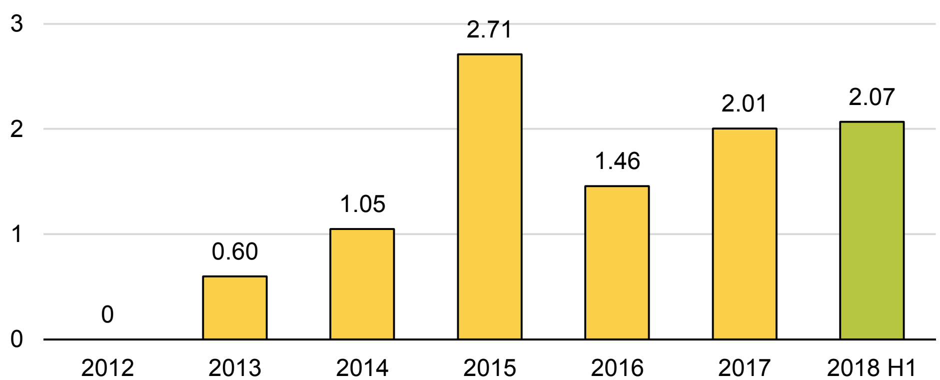
Networth
(Rs.Crore)



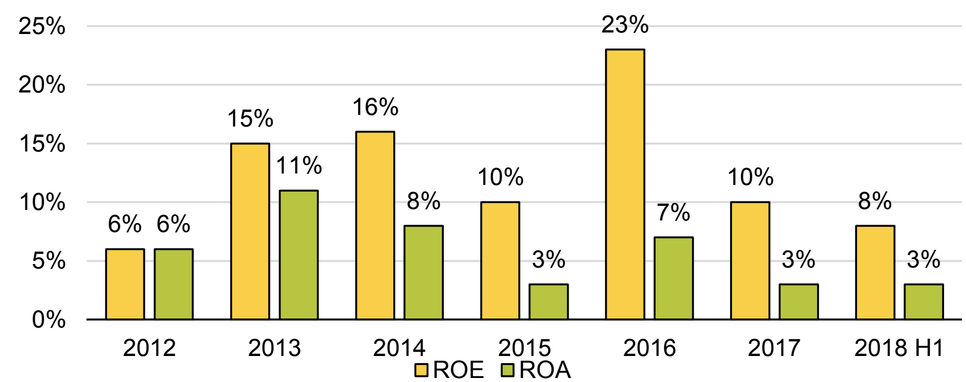
Total Borrowings
(Rs.Crore)



Debt Equity
(x)



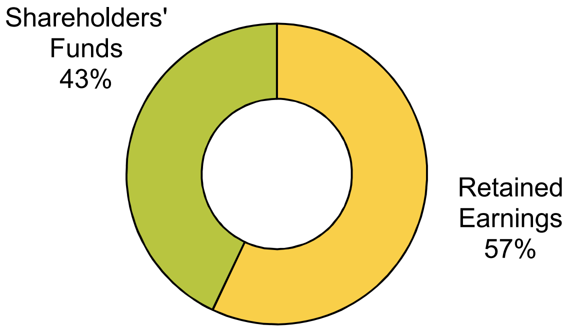
ROE & ROA
(%)



Note: Above information is based on financial year i.e. year ended March 31

Networth, Liability Profile and Credit Rating

Networth Composition
As on September 30, 2017



Total Networth :Rs.605 crore

- **Sept' 17 Net worth was Rs. 605 Crore as against Rs 214 Crore in FY10**

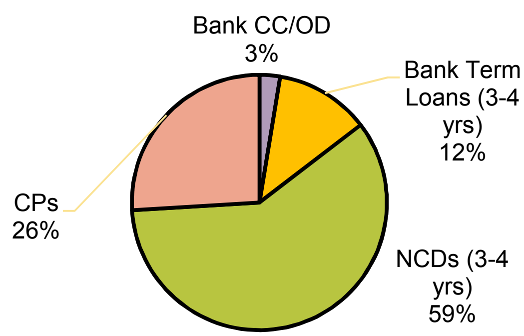
Credit Rating

Bank Loan of Rs. 650 Crore	**ICRA AA- (Stable)**
Non Convertible Debentures of Rs. 1000 Crore	**ICRA AA- (Stable)**
Commercial Paper of Rs.750 Crore	**ICRA A1+**

Liability Profile

- **Gearing Ratio: 2.07**

- **Long Term Credit Rating of AA- Stable and Short Term Credit Rating of A1+ by ICRA.**



September 2017: Total Borrowings: Rs.1,251 Crore

Gearing Philosophy

- Gearing of maximum 3 times with opportunity based short term spikes
- 60%- 70% to be funded by way of Medium / Long term NCDs & Term Loans
- Balance to be funded by bank cash credit lines (Opportunistic borrowing by way of CPs/ ICDs to reduce cost of borrowing)
- Focus for increasing the bank cash credit lines

Annexure 1

Select Case Studies - Acquisitions

Select Case Studies

	Project Hospitality	Project Pharma
Business / Asset Details	• Leading player in the luxury hotels segment in India • Owns and operates ultra-luxury 5-star hotels across India (5 owned hotels – Mumbai, Delhi, Chennai, Udaipur and Bangalore – and 4 managed hotels at Gurgaon, Kovalam & Goa)	• Engaged in the manufacturing and sale of Intermediates and Active Pharmaceutical Ingredient (APIs). Also engaged in contract manufacturing • Has 9 manufacturing facilities including 3 USFDA approved plants • Good product portfolio which includes 65+ APIs and 55+ Intermediates in the Antibiotics, Lipid Lowering Agent, Oncology, Anti-platelet agents, Anti-asthamatic, Anti-malarial, NSAIDs, Anti-anginal therapeutic areas
Strengths / Challenges	• Good business with over leveraged balance sheet due to aggressive debt-funded capex and interest during construction • World class hotel properties and well established brand • Expected improvement in Rev PAR • Adequate security cover • Non-core assets to generate significant cash flow to bring down the debt level • Failed efforts to sell hotel properties under CDR process	• Portfolio with high margins and limited competition from other Indian players • Good established customer base • USFDA approvals for three plants already in place • Surplus assets available for upfront debt reduction through asset sale

Resolution plan and progress	• Simultaneous acquisition of loans from 14 banks (~96% of CDR debt) giving better control on recovery
	• Significant upfront cash payment to banks and reduction of risk through Class A-Class B transaction structure. Working closely with the company to move towards an asset light model
	• Sale of few hotel properties and non-core assets and/or debt to equity conversion to bring down the debt level
	• Sale of one of the hotel properties completed at significant premium; sale of another hotel in advanced stage
	• Started receiving cash flows from some non-core assets
	• Leveraging JM group's expertise in finding investors for the company and for sale of assets
	• In discussions with the company for restructuring of the balance debt over a longer tenure
		• Already acquired ~91% of the debt and plan to aggregate debt from other banks to drive recovery efforts
		• Working with the company for turning around the performance through
		  – Sale of few plants to reduce the debt levels and to infuse working capital
		  – Focus on high margin products
		  – Restructuring of dues
		• Sale of one plant in advanced stage

Select Case Studies (cont'd)

	Project Ceramics	Project Cements
Business / Asset Details	• The company is engaged in the manufacture and marketing of tiles (ceramic and vitrified) and processing and refining of marbles • Two units located in Maharashtra with non-core real estate assets • Company is operational for last three decades	• Engaged in cement manufacturing business since 1987 • Owns and operates approx. 1.0 mn TPA cement plant in Telangana • Access to limestone reserves estimated more than 80 mn tonnes • Well established dealer network and brand image for the product
Strengths / Challenges	• Strong brand recall and dealer network • Surplus assets available for monetization to reduce the debt levels • Possibility of revival of operations through restructuring • Lack of funding due to NPA tag to revive and scale up operations	• Unit is currently not operational • Plant is well maintained in a ready to operate condition. • Listed entity with lenders controlling ~51% shares (~45% Pledge, ~6% owned) • Anticipate improvement in investor interest in cement units in that region due to improving local area dynamics and like infrastructure spending
Resolution plan and progress	• Financial and business restructuring to revive its operations and repay dues • Restructuring by reduction of debt to a sustainable level through part payment from sale of non-core assets and part by conversion of debt to preference and equity shares • Raising equity to shore up working capital • Started receiving small amount of cash flows from operations and few from sale of non-core assets of the company	• Already acquired ~88% of the debt • Option of sale of unit/ fund infusion by Strategic Investor being explored pending finalization of restructuring • Resolution plan to be frozen based on Strategic Investor interest.

Select Case Studies (cont'd)

	Project Drugs	Project Pan India
Business / Asset Details	• Engaged in the manufacturing and sale of Intermediates and Active Pharmaceutical Ingredient (APIs) • Has 3 manufacturing facilities including 2 USFDA inspected plants with one Japanese FDA approval • Good product portfolio which includes 50+ APIs in the antibiotics (Cephalosporin' based) and non antibiotics - in cardiovascular, osteoporosis, Diabetes, Anti-Hypertensive, and Oncology segment	• Leading Real Estate Developer having operations across India • Group has delivered about 23.39 million sqft while it had about 34.78 million sqft in various stages of development as of FY16. About 60% of this area under development is at handover/finishing stage • Over the past 5 years company has delivered about 16.50 million sqft • Acquired debt of Rs 869 Crore of two group companies with underlying securities • Underlying securities include projects to be completed & delivered in Gurgaon, Ambala, Kolkata, Bengaluru and Chennai admeasuring 13.09 mn sqft out of which 7.8 mn sqft is already sold
Strengths / Challenges	• Good product mix and reasonably established customer base. • Good track record in the export market. Also has exposure to regulated markets for higher margin business • Certain non-core assets in process of being sold for debt reduction	• Projects stalled due to slowdown in respective markets and liquidity crunch • Lack of additional funding to restart construction • Adequate cash flow cover along with additional land bank available as security • Diversified cash flows given the geographical spread and stage of construction − 5 projects are brownfield while 3 are greenfield − 62% of surplus cash flows expected within the next 3.5 years
Resolution plan and progress	• Already acquired ~71% of the debt and plan to aggregate debt from other banks to drive recovery efforts • Recovery strategy - sale of assets or / Company to a Strategic Investor	• Underlying securities are located at good locations within the specific micro markets • Company requires Rs.175 – Rs 250 Crores immediate funding for completion of projects. • Additional funds sanctioned by JMFARC to complete the construction of projects at all locations • Surplus from these projects is expected to be sufficient to repay dues. • Existing dues to be restructured • Additional securities are also available, liquidity to be generated from sale of additional land bank/assets.

Annexure 2

Select Case Studies - Resolution

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Select Case Studies

	Project Resin	Project Retail
Company Background	• Engaged in manufacturing and trading of resins • Non-operational unit	• Acquisition of 3.76 lakh Personal Loan & Credit Cards accounts spread across 24 locations
Challenges & Opportunities	• Price expectation mismatch between bank and JMFARC for acquisition of debt • Class A-Class B transaction structure to meet bank's expectations – Providing the banks substantial cash upfront and opportunity to share the upside • Risk of long drawn resolution because of ongoing litigations and an existing court order in favour of the borrower	• Establishing point of contact with large number of customers, as many of them were non-traceable • Grievance handling • Adhering to strict compliance requirements for Recovery Agencies and Agents stipulated by RBI and Indian Banks' Association • Setting up robust IT infrastructure for capturing customer profile, agency allocation and follow up trail, collection and reconciliation
Resolution Plan and Recovery	• Initiated legal actions against the company and promoters on multiple forums – Pursued sale of mortgaged properties through SARFAESI Act – Attached personal properties of promoter through DRT • Negotiated settlement with the promoter through sale of mortgaged property • Account resolved within 2 years	• JMFARC took over the servicing, collection and monitoring and appointed a nodal management agency • Tele Calling, Field Visits and Skip Tracing Agencies appointed to achieve the last mile connectivity with customers • Following infrastructure and mechanisms were set up for effective recovery and real time monitoring: – More than 100 collection agencies with more than 750 agents – 3 tier mechanism for redressal of consumer grievance – Periodic audits/checks conducted on agencies/ agents to ensure recovery / compliance with regulations – Decentralization of settlement process to ensure faster decision making
Resolution Period	Year of Acquisition: Sep-10 Year of Resolution: May-12	Year of Acquisition: Jun-11 Year of Resolution: Mar-13
Critical Success Factor	• Transaction Structure • Negotiated settlement at a higher amount despite court order	• Low Cost of Acquisition • Establishing pan-India reach for collection/recovery • Strategizing recovery efforts for front ended returns • Strict monitoring & compliance resulting in minimal complaints

Select Case Studies (cont'd)

	Project Poultry	Project Paint
Company Background	• Integrated poultry breeder located in Western India • Promoter having more than 45 years of experience in the business • Group's businesses include Hatching Eggs, Day-Old-Chicks (DOC), Grand Parent Stock and Broilers in India	• Engaged in manufacturing of paints • Plants located at Rajasthan, Maharashtra & Tamil Nadu and windmills at Satara • Operational only on job work basis
Challenges & Opportunities	• Inefficiently managed Company • The land was split (due to family partition) and mortgaged to different lenders making it tough to sell and reducing realizable value of the land • Excellent land parcel in heart of Nasik city available as security	• Despite being operational, no surplus cash available for debt servicing • Fragmented debt holding of the Company with 5 banks sharing same security • Disagreement between lenders on a common way forward for resolution • Loans secured mainly by 2nd charge on the fixed assets • Mortgaged assets spread across 3 states, time consuming enforcement
Resolution Plan and Recovery	• Aggregation of debt from lenders and sale of the split land parcels as a single plot which increased realization and unlocked value • Adequate time given to the Borrower to sell the land parcel in order to ensure that the land is not sold at distressed value • Company paid off the dues through sale of assets • Resolution of account within 2.5 years	• Aggregated part of the debt ensuring first charge over assets • Took lead and steered the resolution process – Persuaded the balance debt holders to arrive at a common resolution strategy • Buyer of assets given flexibility to make payment over a period of 1 year in order to ensure timely sale and good realization • Resolution of the account within 3 years • Full Redemption of Class A and Class B SRs and upside sharing with banks
Resolution Period	Year of Acquisition: Sep-10 / Nov-11 Year of Resolution: Jan-13	Year of Acquisition: Mar-09 / Mar-10 Year of Resolution: Oct-11
Critical Success Factor	• Good underlying Security • Aggregation from other banks to ensure full security of underlying land • Negotiated settlement on attractive terms	• Transaction Structure

Select Case Studies (cont'd)

	Project Metal	Project Real Estate
Company Background	• Operating in a niche industry - Engaged in production of minor metal oxides which are used for making carbide grade tool steel, electronic and optical applications • Only player in India in the industry. Unit located at Taloja, Navi Mumbai • Promoters having > 20 years exp. in mining business in Nigeria	• Real Estate Developer having operations in Bangalore and Hyderabad . Group has delivered 5 mn sqft, has 5 mn sqft under development and 5mn sqft in the planning stage • Flagship project in Bangalore comprising of 8.5 lakhs sqft of saleable area in 520 residential units in Phase I (sold & fully occupied) and about 9 Lakh sqft of saleable area in 368 units in Phase II
Challenges & Opportunities	• Lack of funding availability due to NPA tag to revive and scale up operations • Surplus assets available for monetization to reduce the debt level • Possibility of revival of operations	• Lack of funding to restart construction • Adequate security value and additional land banks
Resolution Plan and Recovery	• Subdivision of land property and sale of excess land to raise funds for revival, financing working capital and reduction of debt • Restructuring of debt • Optimization of plant operations to generate cash flows for debt servicing • Restructured debt serviced as per the agreed schedule for 2 years • Revived and stabilized operations, dues to JMFARC refinanced through NBFC at the end of 2.5 years	• Structured the financing leading to reduced cost of capital for the Company by restructuring the acquired dues and infusion of additional funds • Phase I of the project completed successfully and fully sold • The project got additional FSI due to change in regulations which is currently being utilized in Phase II development. Phase II is currently being developed as the tallest residential tower in Bangalore. Further additional financing being done for Phase II • Advantages to the selling Banks – Upfront cash recovery of 12.5% with enhanced recovery potential – Restructuring and fresh funding possible which could not be implemented by Banks due to regulatory issues
Resolution Period	Year of Acquisition: Mar-10 Year of Resolution: Sep-12	• Not fully exited
Critical Success Factor	• Sale of Non Core Asset • Operational Flexibility of an ARC vis-a-vis Bank	• Transaction structure • Project monitoring and controls

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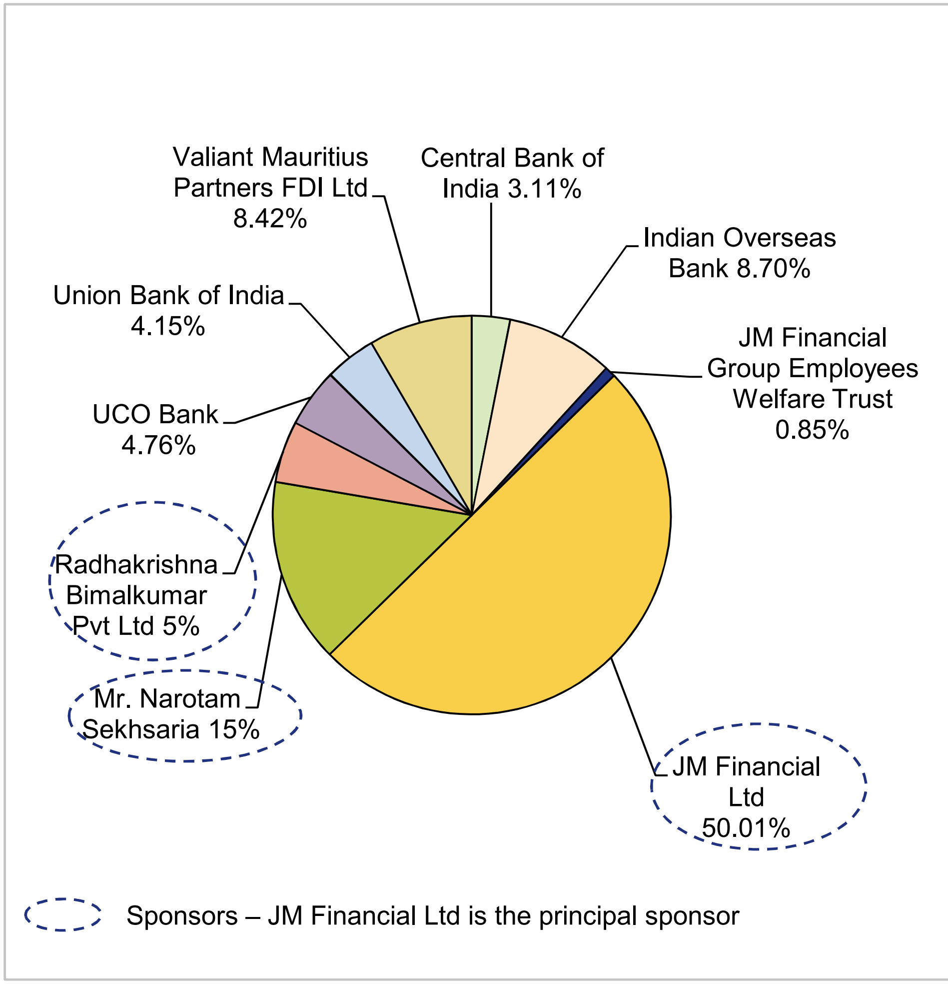
Annexure 3

List of Board of Directors

Board of Directors and Shareholders

Board of Directors	
Mr. V. P. Shetty	*Chairman*
Mr. Narotam Sekhsaria	*Sponsor Director*
Mr. Pulkit Sekhsaria	*Sponsor Director*
Mr. Shailesh Haribhakti	*Independent Director*
Mr. H. N. Sinor	*Independent Director*
Mr. G. M. Ramamurthy	*Independent Director*
Dr. Anil K Khandelwal	*Independent Director*
Ms. Rupa Vora	*Independent Director*
Mr. Anil Bhatia	*Managing Director & CEO*
Mr. Adi Patel*	*Sponsor Director*



RBI registration in September 2008

**RBI approval awaited*

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Profile of Board of Directors

Mr. V. P. Shetty	• Banking experience of 40 years • Commerce Graduate and holds a CAIIB degree • CMD of UCO Bank, Canara Bank and IDBI Bank • Chaired the CDR Core Group meetings. • Recipient of "Banker of the Year – 2003“ • Currently also Chairman of JM Financial Products Ltd and JM Financial Asset Management Limited
Mr. Narotam Sekhsaria	• Holds a bachelor's degree in chemical engineering • Founder-Promoter and Chairman of Ambuja Cements Ltd and ACC Ltd • Instrumental in two of the largest model cement sector turnarounds – Modi Cements Ltd. and DLF Cement Ltd • Played a major role in the Ambuja Cements spectacular growth, turning it into one of India's success stories in the cement industry
Mr. Pulkit Sekhsaria	• Graduated from Mumbai University and has undertaken Management courses at Wharton, Indian School of Business, London Business School and INSEAD • 2 decades of experience • He was whole time Director on the Board of Ambuja Cements Ltd • Instrumental in execution and management of 3 import and export terminals and Shipping Division • Actively involved in the investments in various fields
Mr. Shailesh Haribhakti	• Mr. Haribhakti is a Chartered and Cost Accountant, and a Certified Internal Auditor, Financial Planner & Fraud Examiner • Trustee of the Stressed Asset Stabilization Fund • Committee member of Futures & Options segment of the NSE • Member of Takeover panel of SEBI
Mr. H. N. Sinor	• Commerce and Law Graduate and has Banking experience of 40 years • ED of Central Bank (1996) • Ex MD & CEO of ICICI Bank and AMFI • CEO of IBA (2003-2008) • Director on Board of many leading companies and current member of Banking Board Bureau

Profile of Board of Directors (cont'd)

Mr. G. M. Ramamurthy	• Has done Bachelor of Science and holds B.L, ACS, CAIIB, DCL, DTL & DLL degrees • 27 years of banking experience • Legal Advisor to leading FI/bank • Managed NPA recovery portfolio of IDBI amongst other functions • Chairman of the CDR Empowered Group
Dr. Anil K Khandelwal	• Holds bachelor's degree in Chemical Engineering • Former Chairman and Managing Director of Bank of Baroda and Dena Bank • Former President- Indian Institute Banking & Finance • Deputy Chairman- Indian Banks Association • Member of various expert committees and current member of Banking Board Bureau • Awarded Asian Banker Lifetime Achievement award in Financial Services by Asian Banker Singapore
Ms. Rupa Vora	• Eminent Chartered Accountant and has over 3 decades of experience in finance • Group Director & CFO in IDFC alternatives business for a decade • Associated with Antwerp Diamond Bank NV as CFO • Associated with KBC Bank NV as Financial Controller • Practicing experience of 9 yrs as an independent Chartered Accountant
Mr. Anil Bhatia	• 32 years of experience in the Indian Financial Markets • Commerce Graduate and focus in the last 18 years has been on Asset Reconstruction and Distressed Assets, Credit Markets, Debt Capital Markets, Mortgage backed Securitisation, Domestic Loan Syndication, Corporate Bond Trading, Cross-Border Financing, Structured Products • Senior level relationships with major Scheduled Banks, Financial Institutions, Corporates, Public Sector Undertakings and Multinationals • Country Head – Credit Markets and Debt Capital Markets, ABN Amro, India • MD & CEO of JMFARC since inception

Annexure 4

Acquisition Structure

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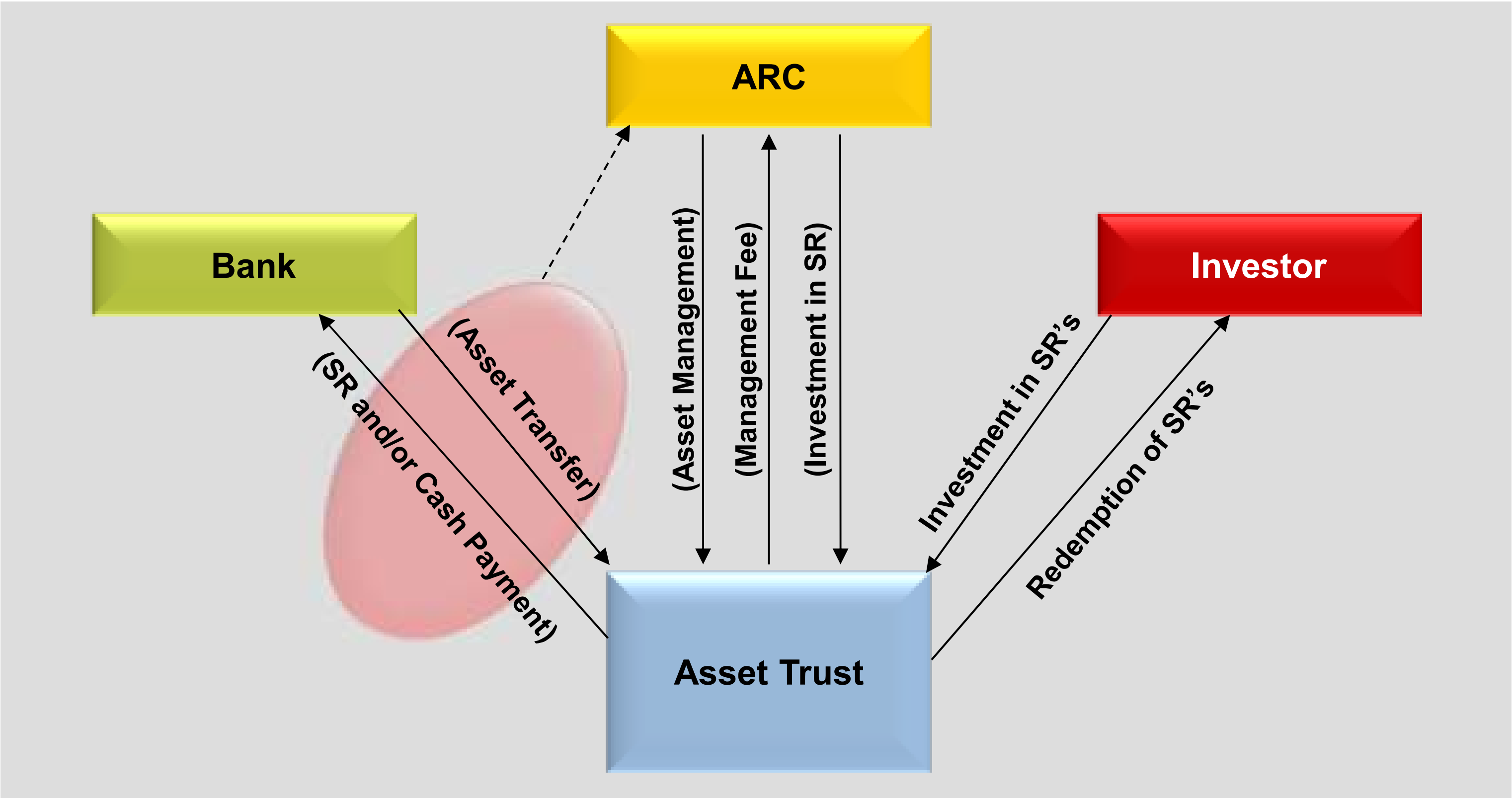
Acquisition Structure

- Acquisition done by ARC either on Portfolio of accounts basis or Single Corporate account basis

- Lending arrangements in a Borrower are by way of either Consortium Banking or Multiple Banking arrangement.

- Debt aggregation by ARCs is done for Corporate accounts to have better control over recovery measures



*Predetermined Ratio e.g. - 15:85, 50:50, 90:10

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