

Notice

NOTICE IS HEREBY GIVEN THAT THE EIGHTEENTH (18TH) ANNUAL GENERAL MEETING (THE “AGM”) OF THE MEMBERS OF JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED (THE “COMPANY”) WILL BE HELD ON WEDNESDAY, JULY 30, 2025 AT 5:00 P.M. (IST) AT 7TH FLOOR, CNERGY, APPASAHEB MARATHE MARG, PRABHADEVI, MUMBAI - 400 025 TO TRANSACT THE FOLLOWING BUSINESS:

Ordinary Business

1. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2025 together with the reports of the Board of Directors and of the Auditors thereon and to pass the following resolution as an **Ordinary Resolution**.

“RESOLVED THAT the audited standalone financial statements of the Company consisting of the Balance Sheet as at March 31, 2025, the statement of profit and loss, cash flow statement and the statement of changes in equity for the year ended on that date and the explanatory notes annexed to, and forming part of, any of the said documents together with the reports of the Board of Directors and of the Auditors thereon be and are hereby approved and adopted.”

2. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2025 and the report of the Auditors thereon and to pass the following resolution as an **Ordinary Resolution**.

“RESOLVED THAT the audited consolidated financial statements of the Company consisting of the Balance Sheet as at March 31, 2025, the statement of profit and loss, cash flow statement and the statement of changes in equity for the year ended on that date and the explanatory notes annexed to, and forming part of, any of the said documents together with the Auditors’ Report thereon be and are hereby approved and adopted.”

3. To appoint a director in place of Mr. Adi Patel (DIN: 02307863), who retires by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment and to pass the following resolution as an **Ordinary Resolution**.

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, the re-appointment of Mr. Adi Patel (DIN: 02307863), as a Director of the Company liable to retire by rotation, be and is hereby approved.”

Special Business

4. **Payment of remuneration to Non-Executive Directors of the Company for FY 2024-25**

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

“RESOLVED THAT pursuant to the provisions of Sections 197, 149 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Schedule V of the Act, including any amendments, statutory modifications and/or re-enactment thereof for the time being in force as amended from time to time, and basis the recommendation/approval of the Nomination and Remuneration Committee and the Board of Directors of the Company, consent of the members be and is hereby accorded for payment of remuneration by way of commission to the Non-Executive Directors (including independent directors) of the Company, in accordance with the limits prescribed under Schedule V of the Act and the same be paid to and distributed amongst the Non-Executive Directors (including independent directors) of the Company in such amounts or proportions and in such manner as may be directed by the Board of Directors of the Company, upto an amount not exceeding ₹ 28,00,000/- for financial year 2024-25 (as detailed in explanatory statement) in view of inadequate profits for financial year 2024-25.”

“RESOLVED FURTHER THAT the above remuneration shall be in addition to sitting fees payable to the Director(s) for attending the meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to take all actions and do all such acts, deeds, matters and things including deciding on the manner of payment of commission, as it may in its absolute discretion deem necessary, proper or desirable to give effect to the above resolution and matters connected therewith or incidental thereto including settling all such questions, difficulties or doubts that may arise with regard to the aforesaid resolution, without being required to seek any further consent/approval from the members of the Company.”



5. Approval for alteration of Articles of Association of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 14 and any other applicable provisions of the Companies Act, 2013 (the **“Act”**) read with the applicable rules framed thereunder (including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to amend the Articles of Association of the Company, pursuant to the modification of clauses as set out under the explanatory statement annexed to the notice.

“RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorized to do all such acts, deeds and things as may be required and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

By Order of the Board

Vineet Singh

Company Secretary & Compliance Officer

Place: Mumbai

Date: April 30, 2025

Registered Office:

7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400 025
(CIN: U67190MH2007PLC174287)

NOTES:

1. Pursuant to the applicable provisions of the Companies Act, 2013 (the **“Act”**), a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the company.
2. The instrument appointing a proxy in order to be valid must be duly completed and should be deposited at the registered office of the company not later than 48 hours before the commencement of the meeting.
3. A person can act as proxy on behalf of the members not exceeding fifty (50) in number and holding in aggregate not more than ten percent (10%) of the total share capital

of the Company carrying voting rights. Proxies submitted must be supported by an appropriate resolution/authority, as applicable. A member holding more than ten percent (10%) of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

4. The relevant statement to be annexed to the Notice pursuant to Section 102 of the Act setting out the details concerning the special business under item no. 4 & 5 of the Notice, along with the additional information as required under applicable provisions of the Act and other circulars issued thereunder, is annexed hereto and forming part of this Notice.
5. The body corporate/institutional investors, who are members of the Company, are encouraged to attend the meeting and vote. They are also requested to send scanned copy(ies) (PDF/JPG format) of their board or governing body resolution/authorisation, permitting their representatives to attend the AGM on their behalf and/or vote. The said resolution/authorization, if any, shall be emailed, through its registered email address to the Company Secretary at vineet.singh@jmfl.com.
6. Members/Proxies/Authorised Representatives are requested to:
 - a. carry duly completed and signed attendance slips for attending the AGM.
 - b. Quote their respective folio numbers or DP ID or client ID numbers in the attendance slip for easy identification of their attendance at the meeting.
7. In compliance with the applicable circulars, the Annual Report for the financial year 2024-25 including the Notice of the AGM along with Attendance Slip and Proxy Form are being sent by the Company in electronic mode to those members/debenture holders whose email IDs are registered with the Depository Participants (**“DPs”**)/Depositories, the Company or its Registrar and Transfer Agents (**“RTA”**), viz., KFin Technologies Limited. Members/Debenture holders who wish to change their email IDs or have not registered their email IDs so far, are requested to promptly intimate the same to their respective DPs or to the Company/its RTA, as the case may be.
8. During the period beginning twenty-four (24) hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company.

Notice (Contd.)

9. Notice convening the Eighteenth (18th) AGM along with the Annual Report for the financial year 2024-25 will also be available on the Company's website at www.jmfinancialarc.com and on the website of the stock exchange i.e., BSE Limited (the "BSE") at www.bseindia.com.
10. The Company has paid the annual listing fees to BSE for the financial year 2025-26.
11. All the document referred to in this Notice and Statement annexed hereto and such other statutory documents as required under the Act, shall be available for inspection at the Company's registered office on all the working days (Monday to Friday) between 2:00 p.m. and 4:00 p.m. up to the date of this AGM and at the venue of the AGM during its duration. Any member interested in obtaining a copy of the same may write to the Company Secretary at vineet.singh@jmfl.com.
12. The relevant details as required under clause 1.2.5 of Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (SS-2), in respect of the person seeking re-appointment as director is given in annexure forming part of this Notice.
13. The route map showing directions to reach the venue of the Eighteenth (18th) AGM forms part of this Notice.



STATEMENT TO BE ANNEXED TO THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 4

Pursuant to the provisions of Section 197 read with Schedule V of the Act, in respect of the payment of remuneration to Directors other than managerial personnel, in case of no profits or inadequacy of profits as calculated under Section 198 of the Act, the Company may pay such remuneration within the ceiling limit as specified in Schedule V of the Act, provided the members' approval by way of a Special Resolution has been obtained, compliance of disclosure requirements and other conditions stated therein.

In view of inadequate profits for the FY 2024-25, the Company has proposed to pay remuneration by way of commission to the non-executive directors (including independent directors) of the Company upto an amount not exceeding ₹ 28,00,000/- for the financial year 2024-25. The said amount is recommended, inter alia, considering the role assumed, number of meetings of the Board and the committees thereof attended by each of the non-executive/independent directors; the position held by them as the Chairperson and member of the Committees of the Board and overall contribution to the business; external competitive environment; track record; individual performance and performance of the Company.

The said amount will be distributed amongst eligible non-executive directors (including independent directors)

of the Company, subject to the provisions of the Act read with Schedule V and is recommended by Nomination and Remuneration Committee and by the Board of Directors.

The additional information, required to be disclosed under Schedule V of the Act, is provided in **Annexure A**, forming part of this Notice.

The Board commends passing of the special resolution set out at item no. 4 of this Notice for approval by the members.

Except Mr. Vishal Kampani, Mr. Adi Patel and key managerial personnel of the Company, and their relatives, the other non-executive directors of the Company are interested in the special resolution set out at item no. 4 of this Notice.

Item no. 5

JM Financial Limited ("JMFL") and JM Financial Credit Solutions Limited ("JMFCSL") have concluded the transfer of 57,09,32,034 equity shares, representing 71.79% of the total paid up capital from JMFL to JMFCSL on March 18, 2025. As per the Share Purchase Agreement ("SPA") executed between JMFL and JMFCSL, the rights and obligations of Subscription Agreements executed between JMFL and other shareholders, are to be novated in favor of the JMFCSL.

In view of the above, it is proposed to make the following alterations in the existing Articles of Association ("AoA") of the Company:

Article no.	Heading	Modifications Clause
2.	Interpretation Clause	"JMFCSL" means JM Financial Credit Solutions Limited, a company incorporated under the laws of India with limited liability.
14.ii	Further Issue of Capital	Subject to the provisions of these Articles the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) of Article 14(a) herein above shall contain a statement of this right. Any exercise of the above right to renounce shall be subject to the prior written approval of JMFCSL;
71.(d) (i) 71.(d) (ii)	Board may refuse to register transfer	<p>(i) If any shareholder intends to sell his shares, he shall give the 'First Right of Refusal' to JMFCSL to purchase the shares, subject to statutory provisions and all necessary approvals and shall send a notice to this effect to JMFCSL. Such 'First Right of Refusal' shall be accepted by JMFCSL within thirty (30) days of receipt of notice. In the event JMFCSL is unable to buy such shares or is not willing to buy such shares, JMFCSL shall intimate the same to such shareholder and the shares shall be sold to an entity agreeable to the shareholder and the Company ('the Purchaser').</p> <p>(ii) The shareholder shall transfer the shares to JMFCSL or the Purchaser, as the case may be, at fair value as determined by an independent consultant who shall be appointed with the mutual consent of the shareholder and the Company.</p>

Notice (Contd.)

The Board commends passing of the Special Resolution set out at item no. 5 of the Notice.

None of the other Directors/Key Managerial Personnel of the Company or their relatives, is in any way concerned or interested, financially or otherwise, in the Special Resolution set out at item no. 5 of the Notice.

By Order of the Board

Vineet Singh

Company Secretary & Compliance Officer

Place: Mumbai

Date: April 30, 2025

Registered Office:

7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400 025
(CIN: U67190MH2007PLC174287)



ADDITIONAL INFORMATION PURSUANT TO CLAUSE 1.2.5 OF SECRETARIAL STANDARD - 2 ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (INFORMATION AS ON THE DATE OF THIS NOTICE).

Name of the Director	Mr. Adi Patel (DIN: 02307863)
Date of birth	February 23, 1969
Date of first appointment on the Board	December 5, 2017
Designation	Non-Executive Director
Qualification(s)	Chartered Accountant
Experience/brief profile/nature of expertise in specific functional areas	<p>Mr. Adi Patel joined the Investment Banking Division of JM Financial Limited in November, 1993 and is currently the Managing Director of JM Financial Limited. Mr. Patel holds a Bachelor's degree in Commerce and is also a qualified Chartered Accountant.</p> <p>He has executed some landmark M&A / restructuring transactions for some of the leading business houses in India.</p> <p>Over the last 30 years, he has developed strong relationships with leading Indian and global clients across various Industry segments and has advised them on numerous strategic M&A / restructuring transactions.</p>
Terms and conditions of appointment/reappointment	Re-appointment as a Non-Executive Director of the Company liable to retire by rotation in accordance with the provisions of Section 152 of the Act.
Shares held in the Company along with the % of shareholding as on March 31, 2025	Nil
Relationship with other directors, manager and key managerial personnel (KMP)	None
No. of Board Meetings attended during the financial year 2024-25	4 out of 4
Directorships held in other bodies corporate	<ul style="list-style-type: none"> • JM Financial Limited • JM Financial Credit Solutions Limited • Infinite India Investment Management Limited
Membership/ Chairmanships of Committees held in other companies excluding foreign companies (only audit and stakeholders' relationship committee has been considered)	<p>Memberships</p> <p>Stakeholders' Relationship Committee</p> <ul style="list-style-type: none"> • JM Financial Limited • JM Financial Credit Solutions Limited <p>Chairmanships</p> <p>None</p>
Details of remuneration paid during the financial year 2024-25	Nil
Remuneration sought to be paid	Sitting Fees and Commission, if any

Annexure A to Notice

DISCLOSURE OF THE DETAILS AS REQUIRED UNDER SCHEDULE V TO THE COMPANIES ACT, 2013

I. General Information

Sr. No.	Description	Particulars																																								
1.	Nature of Industry	The Company is an Asset Reconstruction Company, registered with the Reserve Bank of India, under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002. The Company is engaged in the business of acquisition of stressed assets from the banks/financial institutions and implementing resolution strategies for such acquired assets.																																								
2.	Date or expected date of commencement of commercial production	The Company is in the business since September 23, 2008.																																								
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable																																								
4.	Financial Performance based on key indicators	<div><div><div>Standalone Financial Performance</div><div>(₹ in crore)</div><table><tr><th>Particulars</th><th>FY 2022-23</th><th>FY 2023-24</th><th>FY 2024-25</th></tr><tr><td>Total Income</td><td>234.70</td><td>358.95</td><td>211.31</td></tr><tr><td>Profit/(Loss) before exceptional items and tax</td><td>(204.67)</td><td>(84.33)</td><td>(2.71)</td></tr><tr><td>Profit/(Loss) before tax</td><td>(204.67)</td><td>(931.19)</td><td>(2.71)</td></tr><tr><td>Net Profit/(Loss) after tax</td><td>(154.93)</td><td>(942.44)</td><td>(29.79)</td></tr></table></div><div><div>Consolidated Financial Performance</div><div>(₹ in crore)</div><table><tr><th>Particulars</th><th>FY 2022-23</th><th>FY 2023-24</th><th>FY 2024-25</th></tr><tr><td>Total Income</td><td>218.89</td><td>343.91</td><td>176.54</td></tr><tr><td>Profit/(Loss) before exceptional items and tax</td><td>(193.62)</td><td>(87.74)</td><td>(60.69)</td></tr><tr><td>Profit/(Loss) before tax</td><td>(193.62)</td><td>(934.60)</td><td>(60.69)</td></tr><tr><td>Net Profit/(Loss) after tax</td><td>(146.66)</td><td>(945.01)</td><td>(87.92)</td></tr></table></div></div>	Particulars	FY 2022-23	FY 2023-24	FY 2024-25	Total Income	234.70	358.95	211.31	Profit/(Loss) before exceptional items and tax	(204.67)	(84.33)	(2.71)	Profit/(Loss) before tax	(204.67)	(931.19)	(2.71)	Net Profit/(Loss) after tax	(154.93)	(942.44)	(29.79)	Particulars	FY 2022-23	FY 2023-24	FY 2024-25	Total Income	218.89	343.91	176.54	Profit/(Loss) before exceptional items and tax	(193.62)	(87.74)	(60.69)	Profit/(Loss) before tax	(193.62)	(934.60)	(60.69)	Net Profit/(Loss) after tax	(146.66)	(945.01)	(87.92)
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5	Foreign Investment or Collaborators, if any	As on March 31, 2025, Valiant Mauritius Partners FDI Limited is holding 3,35,50,551 equity shares representing 4.22% of the paid up capital of the Company.																																								



II. Information about the Directors

1. Background details of the directors to whom Commission is being proposed to be paid:

Sr. No.	Name of the Director	Background
1.	Mr. V P Shetty	Mr. V P Shetty is an authority in commercial banking, mergers & acquisitions in banking, corporate governance and turnaround management especially in Public Sector. He has had an illustrious Banking career spanning almost four decades.
2.	Mr. Pulkit Sekhsaria	Mr. Pulkit Sekhsaria has undertaken management courses at Wharton, Indian School of Business, London Business School and INSEAD. In the year 1996, he became a Whole Time Director on the Board of Ambuja Cements Limited. He was instrumental in execution and management of three terminals Mumbai, Surat and Muldwarka (import and export terminal) and the Shipping Division.
3.	Ms. Rupa Vora	Ms. Rupa Vora is an eminent Chartered Accountant and has a work experience of over 3 decades in finance, of which more than a decade in private equity and a decade in banking. She had held important positions in the past including Group Director & CFO – IDFC Alternatives, CFO – Antwerp Diamond Bank N.V., Financial Controller in KBC Bank, N.V., Credit Lyonnais, Oman International Bank. She holds bachelor's degree in Commerce in Mumbai University and Chartered Accountant by Profession.
4.	Dr. Vijay Kelkar	Dr. Vijay Kelkar has held many senior level positions in the Government of India including the most recent position as the Chairman of the Finance Commission; Advisor to Minister of Finance; Finance Secretary, Government of India; Secretary of Ministry of Petroleum & Natural Gas and Chairman of the Tariff Commission.
5.	Mr. Ameet Desai	Mr. Ameet Desai was the Advisor to Chairman at the Adani Group and has industry expertise in sectors such as ports, thermal energy, transmission, renewables and pharma. During his fifteen years at Adani, he successfully led 2 public issues and a QIP raising over US\$ 2 bn, and mobilized over US\$ 350 mn in private equity. He also raised over US\$ 10 bn domestic and international loans and bonds.
6.	Mr. Munesh Khanna	Mr. Munesh Khanna is well founded in accounting, extensive understanding of tax and corporate affairs, an expert in corporate finance as well as strategy and business restructuring. He has been involved in complex transactions in India, such as restructuring of Enron Dabhol Power company, restructuring and subsequent privatization of DOT etc.

2. Past remuneration:

The details of remuneration (including sitting fees) paid for the last year is given below.

Sr. No.	Name of the Director	FY 2023-24
1.	Mr. V P Shetty	₹ 12,65,000
2.	Mr. Narotam Sekhsaria	₹ 4,00,000
3.	Mr. Pulkit Sekhsaria	₹ 4,50,000
4.	Ms. Rupa Vora	₹ 9,55,000
5.	Dr. Vijay Kelkar	₹ 6,40,000
6.	Mr. Ameet Desai	₹ 9,65,000
7.	Mr. Satish Chand Mathur	₹ 9,50,000
8.	Mr. Munesh Khanna	₹ 10,70,000

3. Recognition or awards: Industry stature and representation across several business/ industry forums of repute.

4. Job profile and his suitability: Considering the qualifications and excellent background of the Directors, they are well suited for the position in the Company.

5. Remuneration proposed: Not exceeding ₹ 28,00,000 for the FY 2024-25 (excluding sitting fees).

Annexure A to Notice (Contd.)

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with reference to the country of his origin):

The remuneration proposed is commensurate with the experience of the Directors and comparable to the standards in the industry.

7. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:

None of the Directors have any pecuniary relationship with the Company, other than their remuneration and are not related to any managerial personnel or other Director.

III. Other Information

1. Reason of loss or inadequate profits:

- Impairments in some assets
- Reduction of Management Fees
- Resolution delays
- Lower acquisitions in FY2024-25

2. Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

- Acquisition opportunities with strategic partners as exits are easier in such cases;
- Acquisition focus will be on a co-investment model with foreign funds or domestic investors;
- Reduce the concentration risk by diversifying the portfolio.

3. Other Disclosures: Not applicable

**[ROUTE MAP FOR ANNUAL GENERAL MEETING VENUE]**