

JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED

(Formerly known as JM Financial Asset Reconstruction Company Private Limited)

Registered Office : 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025

Tel No.: +91 22 6630 3030 • **Fax :** +91 22 6630 3223 • **Website :** www.jmfinancialarc.com • **Email ID :** nikhil.bhandary@jmfl.com

CIN: U67190MH2007PLC174287

NOTICE

NOTICE IS HEREBY GIVEN THAT AN EXTRAORDINARY GENERAL MEETING OF THE MEMBERS OF JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED (THE COMPANY) WILL BE HELD ON WEDNESDAY, DECEMBER 27, 2017 AT 5.00 P.M. AT 7TH FLOOR, CNERGY, APPASAHEB MARATHE MARG, PRABHADEVI, MUMBAI – 400 025 TO TRANSACT THE FOLLOWING BUSINESS:

SPECIAL BUSINESS:

1. Increase in borrowing powers

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

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification or re-enactment thereof, for the time being in force, and subject to the provisions of the Company’s Memorandum and Articles of Association, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall include any Committee thereof), to borrow, from time to time, as the Board may think fit, any sum or sums of money in any manner, notwithstanding that the monies to be so borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves PROVIDED HOWEVER THAT the aggregate amount of monies thus borrowed by the Company and remaining outstanding at any point of time, shall not exceed ₹ 3,000 Crore (Rupees Three Thousand Crore only).”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to decide all the terms and conditions for the monies to be thus borrowed at its absolute discretion and to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto.”

2. Loans and investments by the Company

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

“**RESOLVED THAT** pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Rules made thereunder including any statutory modification or re-enactment thereof for the time being in force, and subject to the provisions of the Company’s Memorandum and Articles of Association, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall include any Committee thereof) to acquire, by way of subscription, purchase or otherwise the securities of any body corporate and/or give any loan(s) or guarantee(s) or provide any security(ies) in connection with loan(s) made/to be made to any body corporate or person,

exceeding 60% of the paid up share capital of the Company, its free reserves and securities premium account or 100% of the free reserves and securities premium account of the Company, which the Board may in its absolute discretion deem beneficial and in the interest of the Company PROVIDED HOWEVER THAT the total amount of such acquisition(s), loan(s), guarantee(s) or security(ies) together with the acquisition(s), loan(s), guarantee(s) or security(ies), if any, already made or given by the Board and remaining outstanding shall not at any time exceed ₹ 1,500 Crore (Rupees One Thousand Five Hundred Crore Only).”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may consider necessary, expedient, usual or proper to give full effect to this resolution.”

3. Issue of Non-Convertible Debentures on private placement basis

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

“RESOLVED THAT pursuant to the provisions of Sections 23, 42, 71 and any other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force and pursuant to the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time, and the regulations, circulars and clarifications issued by the Reserve Bank of India from time to time to the extent applicable to the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which term shall include any of the Committee thereof) to offer, issue and allot secured/unsecured, listed/unlisted, redeemable Non-convertible Debentures, in one or more series/tranches aggregating up to ₹ 2,500 Crore (Rupees Two Thousand Five Hundred Crore only), on private placement basis, on such terms and conditions as the Board may, from time to time, determine in the best interests of the Company.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto.”

By Order of the Board

Sd/-
Nikhil Bhandary
Company Secretary

Date: October 13, 2017

Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025

CIN: U67190MH2007PLC174287

NOTES:

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. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE VALID MUST BE DULY FILLED IN ALL RESPECTS AND SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

1. The relevant Statement to be annexed to the Notice pursuant to Section 102 of the Companies Act, 2013, is annexed and forms part of the Notice.
2. A person can act as proxy on behalf of Members holding in aggregate not more than ten percent of the total issued and paid up share capital of the Company. A Member holding more than ten percent of the total paid up 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.
3. Bodies Corporate, who are Members of the Company, are requested to send a certified copy of the board resolution authorising their representatives to attend and vote at the Meeting.
4. Members/Proxies/Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their respective Folio Numbers in the attendance slip.
5. During the period beginning 24 hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours.
6. Any document in connection with any of the business to be transacted at the Meeting is open for inspection at the registered office of the Company on any working day (Monday to Friday) between 2.00 p.m. and 4.00 p.m. up to the date of the Meeting and at the venue thereof.

Annexure to Notice

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

Item No. 1

Pursuant to Section 180(1)(c) of the Companies Act, 2013 ('the Act'), in case any company wishes to borrow the monies in excess of its paid-up share capital and free reserves, (apart from temporary loans obtained from the company's bankers in ordinary course of business) it shall obtain consent of the Members by a Special Resolution.

The Members of the Company at the Extraordinary General Meeting held on March 24, 2015 had passed the Special Resolution pursuant to Section 180(1)(c) authorising the Board to borrow money up to ₹ 2,000 Crore (Rupees Two Thousand Crore only). Considering the increasing requirement of funds for acquisition of new financial assets, it is proposed to increase the overall limit of borrowing from ₹ 2000 Crore to ₹ 3000 Crore. It is therefore proposed to obtain the Members consent through the Special Resolution to borrow the moneys in excess of the Company's paid up capital and free reserves pursuant to Section 180(1)(c) of the Act subject to a maximum borrowing of ₹ 3,000 Crore and remaining outstanding at any point in time.

The Board commends passing of the Special Resolution proposed at item no. 1 of the Notice.

None of the Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 1 of the Notice.

Item No. 2

Section 186 of the Act provides that the board of directors of a company cannot except with the prior approval of the Members by a Special Resolution in a general meeting, give any loan to any person or

other body corporate, give any guarantee or provide any security in connection with loan made and acquire, by way of subscription, purchase or otherwise the securities of any other body corporate, exceeding 60% of the company's paid up share capital, free reserves and securities premium account or 100% of the free reserves and securities premium account whichever is more.

The Members of the Company at the Extraordinary General Meeting held on March 24, 2015 had passed the Special Resolution authorising the Board to make inter corporate loans and investment or guarantee or security upto ₹ 1000 Crore. The Company, in its ordinary course of business of asset reconstruction is required to provide restructuring support to the distressed borrowers either by way of loan or by way of subscription to various instruments. In view of the above, it is proposed to have a limit of ₹ 1500 Crore to provide restructuring support finance and subscribe to various instruments including equity, bonds, loans, debentures, preference shares, convertible / non-convertible instruments and any other eligible instruments.

The Board commends passing of the Special Resolution proposed at item no. 2 of the Notice.

None of the Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 2 of the Notice.

Item No. 3

The Members of the Company at their Tenth Annual General Meeting held on June 29, 2017, had authorised the Board of Directors to raise funds of up to ₹ 1000 Crore by way of issue of Non-Convertible Debentures (NCDs), in one or more tranches.

As at September 30, 2017, the Company had outstanding NCDs aggregating ₹ 743.20 Crore issued on private placement basis. Keeping in mind the further requirement of funds, the Board of Directors of the Company, at its meeting held on October 13, 2017, had decided to increase the said limit and seek the Members consent to issue NCDs aggregating up to ₹ 2,500 Crore.

The amount proposed to be raised through the issue of NCDs may be used, inter alia, for acquisition of new financial assets, refinancing existing borrowings, augmenting the working capital requirements and for general corporate purposes. Accordingly, the consent of the Members is sought for passing special resolution proposed at item no. 3 of the Notice.

The Board commends passing of the Special Resolution proposed at item no. 3 of the Notice.

None of the Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 3 of the Notice.

By Order of the Board

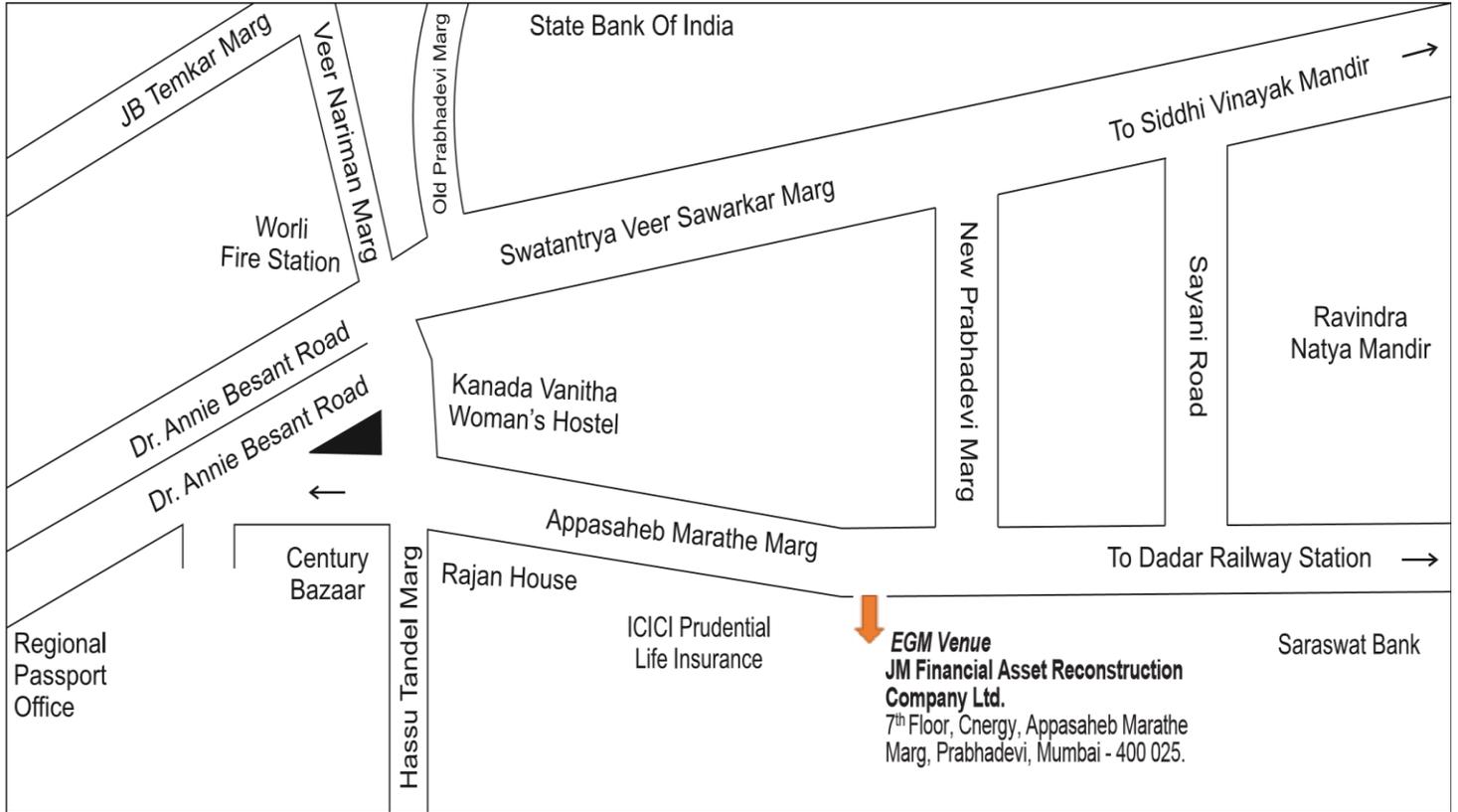
Sd/-
Nikhil Bhandary
Company Secretary

Date: October 13, 2017

Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025

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ROUTE MAP FOR THE VENUE OF THE EXTRAORDINARY GENERAL MEETING



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ATTENDANCE SLIP

Extraordinary General Meeting

(To be handed over at the entrance of the Meeting room)

I hereby record my presence at the **EXTRAORDINARY GENERAL MEETING** of the Company held on **Wednesday, December 27, 2017** at 5.00 p.m. at the registered office of the Company at 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025.

Full name of the Member (in BLOCK LETTERS)

DP ID : _____

Client ID: _____

Folio No.: _____

No. of Shares held: _____

Full name of Proxy (in BLOCK LETTERS)

(To be filled in if the valid proxy has been duly lodged with the Company)

Signature of Member(s)/Proxy _____