

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 6th Annual General Meeting of the Members of Rare Asset Reconstruction Limited will be held on Thursday, September 30, 2021 at 3.00 p.m. at the registered office of the Company at 104-106, Gala Argos, Nr. Harikrupa Tower Gujarat College Road, Ellisbridge, Ahmedabad - 380 006 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company consisting of the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, Cash Flow Statement for the year ended on that date and the Explanatory Notes annexed to, and forming part of, any of the above documents together with the reports of the Board of Directors and the Auditor's Report thereon.
2. To declare final dividend of Rs. 0.20 per share (2%) on equity shares for the financial year ended on March 31, 2021.
3. To appoint a Director in place of Mrs. Shikha Bhandari (DIN: 02620265), who retires by rotation at this AGM and being eligible, seeks re-appointment.

SPECIAL BUSINESS:

1. **To increase Borrowing Limits**

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and in supersession of all the earlier resolutions passed in this regard, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors thereof, to borrow money, as and when required, from, including without limitation, any Bank and/or other Financial Institution and/or foreign lender and/or anybody corporate/ entity/entities and/or authority/authorities, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, bonds, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding Rs. 1750 Crores (Rupees One Thousand Seven Hundred and Fifty Crores only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (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.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to

execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

2. Creation of charge on the assets

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

“**RESOLVED THAT** pursuant to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013, in supersession of all the earlier resolutions passed in this regard, consent of shareholders of the company be and is hereby accorded to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of banks, financial institutions, investors and any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed Rs. 1750 Crores (Rupees One Thousand Seven Hundred and Fifty Crores only) at any time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to finalise with Banks/Financial Institutions the documents for creating aforesaid mortgage and/or the charge and to do all such acts, deeds, matters and things as may be necessary, proper and expedient or incidental for giving effect to this resolution.”

3. To consider and approve remuneration of Mr. Anil Kumar Bhandari, Managing Director 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 Sections 196, 197, 198, 203 read with Schedule V, all other applicable provisions of the Companies Act, 2013 and rules made thereunder, including any statutory modification and re-enactment thereof for the time being in force, the approval of the members of the Company be and is hereby accorded for payment of remuneration to Mr. Anil Kumar Bhandari, Managing Director of the company, Rs. 9,00,000/- per Month (inclusive of salary, perquisites, benefits, incentives and allowances), for his tenure as Managing Director i.e. upto June 21, 2023 and on such terms and conditions as may be agreed to between the Board of Directors and Mr. Anil Kumar Bhandari with liberty and authority to the Board of Directors to alter and vary the terms and conditions of the said appointment from time to time within the scope of Schedule V of the Companies Act, 2013, or any amendments thereto or any re-enactment thereof.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year(s), during the tenure of Mr. Anil Kumar Bhandari as Managing Director of the Company, the above mentioned remuneration may be paid to him, as minimum remuneration, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed thereunder and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.

RESOLVED FURTHER THAT any of the Directors of the Company, be and is hereby severally authorized to sign and submit relevant forms, documents, in respect of aforesaid resolution with the Registrar of Companies and to do all such acts, deeds and things as may be necessary or expedient in their entire discretion, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

Date: August 27, 2021

Place: Ahmedabad

By order of the Board of Directors
For, Rare Asset Reconstruction Limited

Regd. office:
104-106, Gala Argos,
Nr. Harikrupa Tower
Gujarat College Road,
Ellisbridge, Ahmedabad - 380 006

Sd/-
Anil Kumar Bhandari
Managing Director
DIN: 02718111

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Pursuant to the provisions of section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the company carrying voting rights. Members holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other member. The instrument of proxy, in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy form is annexed to this notice. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

2. Corporate members intending to send their authorised representatives to attend the Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the company a certified copy of resolution of its Board of Directors or other governing body, authorising their representative to attend and vote on their behalf at the meeting.
3. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item no. 1,2 & 3 of the accompanying notice, is annexed hereto.
4. Members/ Proxies are requested to bring the attendance slips duly filled in.
5. Members are requested to notify immediately any change of address: (i) to their Depository Participants (DPs) in respect of their electronic share accounts; and (ii) to the Company and to its Share Transfer Agents in respect of their physical share folios, if any.
6. Electronic copy of the notice of the Annual General Meeting of the Company along with Attendance Slip and Proxy Form is being sent to all members whose email IDs are registered with the Company/Depository Participant (DPs).
7. Members may also note that the physical copies of the aforesaid documents will also be available at the Company’s Registered Office during business hours (11.00 A.M. to 5.00 P.M.) on all working days except Saturdays and Sundays, up to and including the date of Annual General Meeting. Members are also entitled to receive such communication in physical form, upon making a request for the same.
8. The dividend on Equity Shares if approved at the meeting, will be credited / dispatched to those members whose name shall appear on the Company’s Register of Members on August 27, 2021; in respect of the shares held in dematerialized form, the dividend will be paid to the members whose names are furnished by the Depository as beneficial owners as on that date
9. Route map to the venue of the meeting is annexed hereto.

Date: August 27, 2021
Place: Ahmedabad

By order of the Board of Directors
For, Rare Asset Reconstruction Limited

Regd. office:
104-106, Gala Argos,
Nr. Harikrupa Tower
Gujarat College Road,
Ellisbridge, Ahmedabad - 380 006

Sd/-
Anil Kumar Bhandari
Managing Director
DIN: 02718111

Explanatory Statement in respect of the special business pursuant to section 102 of the Companies Act, 2013

Item No. 1 & 2:

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business, if any) may exceed the aggregate of the paid-up capital and the free reserves of the Company. Hence it is proposed to increase the maximum borrowing limits upto Rs. 1750 Crores (Rupees One Thousand Seven Hundred and Fifty Crores only). Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting. In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company. Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the Annual General Meeting.

Except Mr. Anil Kumar Bhandari and Mrs. Shikha Bhandari, none of the other Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolution.

Your directors recommend passing of this resolution as a Special Resolution.

Item No. 3:

The Board of Directors of the Company vide resolution passed on August 27, 2021 recommended revision of remuneration of Mr. Anil Kumar Bhandari, Managing Director of the company.

According to the provisions contained in Section 196 and 197 read with Section 203 of the Companies Act, 2013 approval of the members is required by way of Special Resolution for the payment of remuneration.

The details of the terms payable to Mr. Anil Kumar Bhandari are given below:

Particulars	Mr. Anil Kumar Bhandari
Tenure of Remuneration	June 21, 2023
Salary inclusive of all allowances and incentives	Rs. 1,08,00,000/- per annum.
Perquisites and allowances in addition to salary	Perquisites shall be evaluated as per Income Tax Rules and schedule V of Companies Act, 2013
Other benefits	The Director shall be entitled to reimbursement of actual expenses like Vehicle, Guest Entertainment, travelling

	expenses actually and properly incurred during the course of doing legitimate business of the company. The appointee shall be eligible for Housing, Education and Medical Loan and other Loans or facilities as applicable in accordance with the rules of the company and in compliance with the provisions of the Companies Act, 2013.
Minimum Remuneration	The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not exceed the limit set out under Sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law. Provided that where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Managing Director as and other amenities as aforesaid to the Managing Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act or any other approvals as may be required under law

Mr. Anil Kumar Bhandari, is concerned or interested to the extent of remuneration payable to him. However in the event of inadequacy of profits, during the tenure of Anil Kumar Bhandari, the referred remuneration shall be allowed in compliance of the provisions of Schedule V and the same shall in no event exceed the limits approved by way of resolution proposed hereunder.

A detailed statement as per the requirement of the provisions of Section II of part II of Schedule V has been annexed with the notice.

Your directors recommend passing of this resolution as a Special Resolution.

Date: August 27, 2021
Place: Ahmedabad

By order of the Board of Directors
For, Rare Asset Reconstruction Limited

Regd. office:
104-106, Gala Argos,
Nr. Harikrupa Tower
Gujarat College Road,
Ellisbridge, Ahmedabad - 380 006

Sd/-
Anil Kumar Bhandari
Managing Director
DIN: 02718111

Details of the Directors seeking for re-appointment at the ensuing Annual General Meeting in pursuance to Secretarial Standard-2 on General Meetings:

Particulars	Mrs. Shikha Bhandari
Date of Birth	01/11/1968
Age	52 years
Date of Appointment	As a Director from 08.04.2019
Qualifications	M.Sc. (Mathematics)
Experience	8 years of experience in administration and human resources
Expertise in specific functional areas	Wide experience in administration and human resources
Directorships held in other companies	<ul style="list-style-type: none"> • Renaissance Fiscal Services Private Limited • Recreation Production House Pvt. Ltd • Sigma Polyfilms Private Limited
Memberships/Chairmanships of committees of other public companies	-
Number of shares held in the Company	-
Number of Meetings (including Committee Meetings) attended during the year	<p>Board Meetings attended during the year</p> <ul style="list-style-type: none"> • September 5, 2020 • December 31, 2020 • March 26, 2021 • March 30, 2021 <p>Nomination and Remuneration Committee Meeting during the year</p> <ul style="list-style-type: none"> • September 5, 2020 • March 26, 2021
Relationships between directors inter-se, Manager and other Key Managerial Personnel	Mr. Anil Kumar Bhandari (MD) – Spouse Mr. Umesh Bafna (CFO) - Brother
Terms and Conditions of appointment/reappointment along with remuneration to be paid and last drawn	-

Detailed statement as per the requirement of the provisions of Section II of part II of Schedule - V

Particulars	Mr. Anil Kumar Bhandari
I. <u>General Information</u>	
1. Nature of industry	Asset Reconstruction Company
2. Date or expected date of commencement of commercial production/business	September 16, 2015
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 given indicators	Turnover – Rs. 54.34 Cr. Profit before Tax – Rs. 9.41 Cr. Profit after Tax – Rs. 5.39 Cr.
5. Foreign investments or collaborations, if any.	NA
II. <u>Information about appointee:</u>	
1. Background details	Mr. Anil Bhandari has experience of 23 years including 13 years in Banking with significant exposure to Legal/recovery including restructuring / OTS / BIFR and has handled large number of cases for recovery through DRT/SARFAESI and liquidation proceedings.
2. Past remuneration	Rs. 6,00,000 per month
3. Recognition or awards	Under the dynamic leadership of Mr. Anil Bhandari, the Company has received following recognitions: i) Ranked no. 1 in Acquisitions among new ARCs, and 4 th in acquisitions among all ARCs, during FY20 ii) Ranked 3 rd among all ARCs with respect to cash investment in the acquisitions during FY20 iii) In the top 8 ranks among all ARCs as on March 2020 with respect to AUM (and top 2-3 ranks among new ARCs) iv) Received recognition under “ABP Emerging 100”, an initiative to list the top 100 emerging businesses in the country.
v) Job profile and his suitability	Mr. Anil Bhandari, Managing Director has been looking after the overall affairs and operations of the Company guiding the supervision and control of the Board of Directors. He is involved in policy planning, vision and strategy and long term development activities of the Company. He has been instrumental in taking the Company from strength to strength to its present

	position. The Company has made enormous progress under the stewardship of Mr. Bhandari.
vi) Remuneration proposed	As stated in the Explanatory Statement at Item No.3 of this Notice.
vii) 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 respect to the country of his origin)	The remuneration as proposed of Mr. Anil Bhandari is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and nature of its business. Moreover in his position as Managing Director of the Company, Mr. Anil Bhandari devotes his substantial time in overseeing the operations of the Company.
viii) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, or other director, if any.	Besides the remuneration proposed, Mr. Anil Bhandari does not have any pecuniary relationship with the Company. Mr. Anil Bhandari is spouse of Mrs. Shikha Bhandari, Director of the Company. Mr. Anil Bhandari belongs to the Promoter Group and holds 33,40,000 equity shares in the share capital of the Company.
III. <u>Other Information:</u>	
1. Reasons of loss or inadequate profits	The Company is passing a Special Resolution pursuant to the Section 197 and schedule V of the Companies Act, 2013
2. Steps taken or proposed to be taken for improvement	The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position. The Company has also strategically planned to address the resolution of accounts and increase profits.
3. Expected increase in productivity and profits in measurable terms	The Company has taken various initiatives to improve financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.
IV. <u>Disclosures:</u>	
1. Remuneration package of the managerial person	Fully described in the explanatory statement as stated above.

Rare Asset Reconstruction Limited
Reg. Office: 104-106 Gala Argos, Nr. Harikrupa Tower,
Gujarat College Road, Ellisbridge, Ahmedabad - 380 006
CIN: U74900GJ2015PLC084515

Proxy Form

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014)

Name of the member(s): _____

Registered address: _____

E-mail ID: _____

Folio no. / Client Id: _____

DP Id: _____

I/We, being the member(s) of _____ equity shares of Rare Asset Reconstruction Ltd., hereby
appoint

1. Name: _____ E-mail: _____

Address: _____

Signature: _____ or failing him

2. Name: _____ Email: _____

Address: _____

Signature: _____ or failing him

3. Name: _____ E-mail: _____

Address: _____

Signature: _____

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf in the Annual General Meeting of the Company to be held on Thursday, September 30, 2021 at 3.00 p.m. at the registered office of the Company at 104-106 Gala Argos, Nr. Harikrupa Tower, Gujarat College Road, Ellisbridge, Ahmedabad - 380 006 and any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution
ORDINARY BUSINESS:	
1.	To receive, consider and adopt the audited financial statements of the Company
2.	To declare final dividend of Rs. 0.20 on equity shares for the financial year ended March 31, 2021.
3.	To appoint a Director in place of Mrs. Shikha Bhandari (DIN: 02620265), who retires by rotation at this AGM and being eligible, seeks re-appointment.
SPECIAL BUSINESS:	
4.	To increase borrowing limits
5.	Creation of charge on the assets
6.	To consider and approve remuneration of Mr. Anil Kumar Bhandari, Managing Director of the company

Signed this _____ day of _____, 2021

Affix
Revenue
Stamp

Signature of the shareholder

(Please sign across the Stamp)

Instructions

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Please fill all the details in BLOCK LETTERS in English.

Rare Asset Reconstruction Limited
Reg. Office: 104-106 Gala Argos, Nr. Harikrupa Tower,
Gujarat College Road, Ellisbridge, Ahmedabad - 380 006
CIN: U74900GJ2015PLC084515

Attendance Slip
Annual General Meeting

I/ We hereby record my/ our presence at the Annual General Meeting of the Company held at the Registered Office of the Company at Registered office situated at 104-106, Gala Argos, Nr. Harikrupa Tower, Gujarat College Road, Ellisbridge, Ahmedabad - 380 006 Thursday, September 30, 2021 at 3.00 p.m.

Name of the Shareholder/
Proxy (In BLOCK LETTER)

Signature of the Shareholder/ Proxy

Folio No. _____

Client Id.# _____

DP ID _____

No. of shares held _____

(Applicable for shareholders holding shares in dematerialized form)

Route map for venue of AGM

