

**NOTICE**

NOTICE is hereby given that the 8<sup>th</sup> Annual General Meeting of the Members of CFM Asset Reconstruction Private Limited to be held on Friday, 15<sup>th</sup> September, 2023, at 11.00 A.M at Block No. A/1003, West Gate, Near YMCA Club, Sur No. 835/1+3, S.G. Highway, Makarba, Ahmedabad-380051. to transact the following business as under:

**ORDINARY BUSINESS:**

**1. Adoption of Annual Audited Financial Statements and Reports thereon: -**

To receive, consider, approve and adopt the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2023 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2023 and the Statement of the Profit & Loss for the year ended 31<sup>st</sup> March, 2023 together with the Reports of the Board of Directors and Auditors thereon.

**SPECIAL BUSINESS:**

**2. To consider and if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 188 (1) of the Companies Act, 2013 and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 (as applicable and as may be amended from time to time), and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) approval of shareholders of the Company be and is hereby accorded for approval of related party transactions as recommended by the Audit Committee & Board of Directors for the FY 2023-24 upto the maximum per annum amounts as appended below:

Sr. No.	Name of Related Party	Nature of Relationship	Nature of Transaction	Amount in Rs.
1.	Remuneration to Richa Porwal	Relative of Director	Salary	53,00,000

RESOLVED FURTHER THAT any Director of the Company 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 execute all deeds,



applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effects to this Resolution.”

3. To consider and if thought fit, to pass, with or without modification, the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Sections 48, 55 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Memorandum of Association and Articles of Association of the Company, consent of the shareholders of the Company be and is hereby given to the Board of Directors of the Company (the “Board”) to change/alter/vary/replace the existing terms of 0.1% Cumulative Compulsorily Convertible Preference Shares (“CCPS”) of Re.1/- each issued by the Company from March 2018 to October 2018.

RESOLVED FURTHER THAT the tenure of CCPS issued by the Company from March 2018 to October 2018 be and is hereby extended for a further period of 5 (five) years from the current maturity date;

RESOLVED FURTHER THAT names given to the CCPS issued from March 2018 to October 2018 as Series VII, Series VIII and Series IX respectively.

RESOLVED FURTHER THAT the terms of CCPS issued be and hereby altered and new terms of CCPS as follow;

Terms	Particulars
The priority with respect to payment of dividend or repayment of capital vis-à-vis equity shares	The CCPS are issued at a preferential dividend rate of 0.1% (zero-point one percent) per annum (the “Preferential Dividend”). The Preferential Dividend, if declared shall be paid in preference to any dividend or distribution payable upon shares of any other class or series of Securities (including Equity Shares) in the same fiscal year.
The participation in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid	Upon occurrence of any Liquidation Event, each holder of CCPS will be entitled to receive, prior to and in preference to any distribution of the proceeds of such Liquidation Event to the holders of any other Securities of the Company (Equity), by reason of their ownership thereof, an amount per CCPS calculated as follows, together with any





	declared but unpaid dividends on such CCPS, the higher of; aggregate Investment Amount or pro-rata share of the proceeds based on its shareholding in the Company.
<b>The payment of dividend on cumulative or non-cumulative basis</b>	The proposed structure is one where the dividend is a cumulative dividend. The accumulated dividend shall be converted into equity shares along with the conversion of the preference shares – i.e. at the end of 10 <sup>th</sup> , 11 <sup>th</sup> and 12 <sup>th</sup> years from the date of issuance of CCPS or at any time prior to the 12 <sup>th</sup> year, when the Company feels appropriate.
<b>The conversion of preference shares into equity shares</b>	Subject to compliance with the applicable Laws, each CCPS shall automatically be converted into Equity Shares, at the end of 10 <sup>th</sup> , 11 <sup>th</sup> and 12 <sup>th</sup> year in equal proportion at book value as per the audited Balance Sheet immediately before the conversion date or at any time prior to the 12 <sup>th</sup> year when the Company feels appropriate, at book value as per the audited Balance Sheet immediately before the conversion date. After conversion, each equity shares will have a face value of Rs 1 and a premium based on the conversion price linked to book value per share. At the time of conversion, the CCPS shall be appropriately consolidated in a manner to give effect to the conversion ratio, in case the Book value of Equity Share is more than Re. 1/- as on conversion dates.
<b>Voting rights</b>	The holder of 0.1% CCPS shall not have the right to vote on any resolution placed before the company except which directly affect the rights attached to 0.1% CCPS.
<b>The redemption of preference shares</b>	0.1% CCPS of Re. 1 each shall be converted into Equity Share as per terms of conversion.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized, in its entire discretion, to do all such acts, matters, deeds and things and to take all such steps and to do all such things and give all such directions, as the Board may consider necessary, expedient or desirable, including without limitation, effecting any



modification to the foregoing (including any modifications to the terms of the CCPS), to prescribe the forms of application, allotment, to enter into any agreements or other instruments, and to take such actions or give such directions as may be necessary or desirable and to file applications and obtain any approvals, permissions, sanctions which may be necessary or desirable and to settle any questions or difficulties that may arise and appoint consultants, valuers, legal advisors, advisors and such other agencies as may be required for the issue of equity shares on conversion without being required to seek any further clarification, consent or approval of the members and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects."

**Registered Office:** Block No. A/1003, West Gate, Near YMCA Club, Sur No. 835/1+3, S.G. Highway, Makarba, Ahmedabad-380051

**Date:** August 21, 2023

**Place:** Mumbai

**For and On Behalf of the Board**  
**CFM Asset Reconstruction Private Limited**



**Sakshi Poddar**  
Company Secretary



NOTES:

1. ***A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 8<sup>TH</sup> ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.***
2. A route map giving directions to reach the venue of the 8<sup>th</sup> Annual General Meeting is given at the end of the Notice.
3. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail address is registered with the Company, unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail address with the Company. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM.
4. Corporate Members intending to send their authorised representatives to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the meeting.
5. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Report and other communications through electronic mode to those Members who have registered their e-mail address with the Company. Members of the Company who have registered their e-mail address are also entitled to receive such communication in physical form, upon request.



**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No.2**

The Company submits the following information as per Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 with respect to the transactions with related party for taking appropriate decision for approval of the proposed resolution as set out in the Item No.2 of the Notice of the meeting by way of ordinary resolution.

<b>Sr. No.</b>	<b>Name of Related Party</b>	<b>Nature of Relationship</b>	<b>Nature of Transaction</b>	<b>Amount in Rs.</b>
1.	Remuneration to Richa Porwal	Relative of Director	Salary	53,00,000

Mr. Omprakash Porwal, Director is deemed to be interested financially or otherwise in the said resolution.

Your directors recommend the resolution set out above to be passed as an ordinary resolution by the members.





**Item No. 3**

It is proposed to revise the terms of Compulsorily Convertible Preference Shares issued and allotted of during the period from March 2018 to October 2018. The proposed terms of CCPS are as follows:

<b>Terms</b>	<b>Particulars</b>
<b>The priority with respect to payment of dividend or repayment of capital vis-à-vis equity shares</b>	The CCPS are issued at a preferential dividend rate of 0.1% (zero-point one percent) per annum (the "Preferential Dividend"). The Preferential Dividend, if declared shall be paid in preference to any dividend or distribution payable upon shares of any other class or series of Securities (including Equity Shares) in the same fiscal year.
<b>The participation in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid</b>	Upon occurrence of any Liquidation Event, each holder of CCPS will be entitled to receive, prior to and in preference to any distribution of the proceeds of such Liquidation Event to the holders of any other Securities of the Company (Equity), by reason of their ownership thereof, an amount per CCPS calculated as follows, together with any declared but unpaid dividends on such CCPS, the higher of; aggregate Investment Amount or pro-rata share of the proceeds based on its shareholding in the Company.
<b>The payment of dividend on cumulative or non-cumulative basis</b>	The proposed structure is one where the dividend is a cumulative dividend. The accumulated dividend shall be converted into equity shares along with the conversion of the preference shares - i.e. at the end of 10 <sup>th</sup> , 11 <sup>th</sup> and 12 <sup>th</sup> years from the date of issuance of CCPS or at any time prior to the 12 <sup>th</sup> year, when the Company feels appropriate.
<b>The conversion of preference shares into equity shares</b>	Subject to compliance with the applicable Laws, each CCPS shall automatically be converted into Equity Shares, at the end of 10 <sup>th</sup> , 11 <sup>th</sup> and 12 <sup>th</sup> year in equal proportion at book value as per the audited Balance Sheet



	<p>immediately before the conversation date or at any time prior to the 12<sup>th</sup> year when the Company feels appropriate, at book value as per the audited Balance Sheet immediately before the conversation date. After conversion, each equity shares will have a face value of Rs 1 and a premium based on the conversion price linked to book value per share.</p> <p>At the time of conversion, the CCPS shall be appropriately consolidated in a manner to give effect to the conversion ratio, in case the Book value of Equity Share is more than Re. 1/- as on conversion dates.</p>
<b>Voting rights</b>	The holder of 0.1% CCPS shall not have the right to vote on any resolution placed before the company except which directly affect the rights attached to 0.1% CCPS.
<b>The redemption of preference shares</b>	0.1% CCPS of Re. 1 each shall be converted into Equity Share as per terms of conversion.

The Board of Directors of the Company have in their meeting held on March 23, 2023 and August 21, 2023 have consented to the variation /revision the terms of Compulsorily Convertible Preference Shares issued and allotted of during the period from March 2018 to October 2018. Further the said proposal for revision/variation terms of CCPS was communicated to the CCPS holders as mentioned below whose rights attached to the CCPS, for their consent/dissent. The CCPS holders have granted their consent for variation/revision the terms of Compulsorily Convertible Preference Shares

The consent letter from all the CCPS holders has been received for the proposed variation/revision in the terms of CCPS;

The Company has disclosed all the related information and to the best of understanding of the Board of Directors no other information and facts are required to be disclosed that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.

In the view of this, the company is seek approval of members at the general meeting by way of special resolution.





The directors and their relatives are interested in this resolution.

**Registered Office:** Block No.  
A/1003, West Gate, Near YMCA  
Club, Sur No. 835/1+3, S.G.  
Highway, Makarba, Ahmedabad-  
380051

**Date:** August 21, 2023

**Place:** Mumbai

**For and On Behalf of the Board  
CFM Asset Reconstruction Private Limited**



**Sakshj Poddar  
Company Secretary**



## ATTENDANCE SLIP

### 8<sup>th</sup> ANNUAL GENERAL MEETING

Registered Folio No.	
Name of the Member	
Address of the Member	
Number of Shares Held	

I hereby record my presence at the 8<sup>th</sup> Annual General Meeting of the Members of the Company which will be held at Block No. A/1003, West Gate, Near YMCA Club, Sur No. 835/1+3, S.G. Highway, Makarba, Ahmedabad- 380051 on **Friday September 15<sup>th</sup>, 2023, at 11.00 A.M.**

Name of the Member/ Proxy/ Authorised Representative	
Signature of the Member/ Proxy/ Authorised Representative*	

\*Strike out whichever is not applicable.



**FORM NO. MGT - 11**

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : U67100GJ2015PTC083994  
Name of the Company : CFM Asset Reconstruction Private Limited  
Registered Office : Block No. A/1003, West Gate, Near YMCA Club, Sur No. 835/1+3, S.G. Highway, Makarba, Ahmedabad- 380051

Name of the Member (s) :	
Registered address :	
E- mail id :	
Folio No. :	

I / We, being the member (s) of \_\_\_\_\_ Equity Shares of the above-named Company, hereby appoint

1. Name :  
Address :  
E-mail id :  
Signature : ..... or failing him/her
2. Name :  
Address :  
E-mail id :  
Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 8<sup>th</sup> Annual General Meeting of the Company to be held on **Friday September 15<sup>th</sup>, 2023, at 11:00 A.M.** at Block No. A/1003, West Gate, Near YMCA Club, Sur No. 835/1+3, S.G. Highway, Makarba, Ahmedabad- 380051 and at any adjournment(s) thereof in respect of such resolutions as are indicated below:





Agenda	
Sr. No.	Resolution
1.	Adoption of Annual Audited Financial Statements and Reports thereon
2.	To approve related party transactions u/s 188 of Companies Act, 2013
3.	Variation in terms of 0.1% Cumulative Compulsorily Convertible Preference Shares of re.1/- each issued by the Company

Signed this Monday August 21<sup>st</sup>, 2023,

Signature of Shareholder(s):

Signature of Proxy holder(s):

**Notes to Proxy Form:**

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 (forty-eight) hours before the commencement of the meeting.

Affix  
Revenue  
Stamp  
of Re. 1



### Route Map to the Venue of the 8<sup>th</sup> Annual General Meeting

