

NOTICE

Notice is hereby given that the Extra Ordinary General Meeting of the members of CFM Asset Reconstruction Private Limited will be held at 1st floor, Wakefield House, Sprott Road, Ballard Estate, Mumbai 400038, on Monday, the 22nd day of April, 2024 at 11:00 a.m. to transact the following businesses:

1. To consider and approve issuance of unlisted, secured, redeemable Non-convertible Debentures amounting to Rs. 100 crore on Private Placement basis

To consider and if thought fit, to pass with or without modification(s), the following special resolution:

“RESOLVED THAT in accordance with Section 42, Section 71, and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and any other rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force (the "Act"), all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("RBI"), or any other regulatory authority, and in accordance with the enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be required from any statutory or regulatory authorities, the approval of the shareholders of the Company be and is hereby accorded for issuance of upto 10,000 (Ten Thousand) unlisted, secured, redeemable Non-convertible Debentures, having face value of INR 100,000 (Indian Rupees One lakh) each aggregating up **INR 100,00,00,000/- (Indian Rupees One Hundred Crores Only)**, (hereinafter referred to as **“NCD” or “Debentures”**) in one or more tranches; on a private placement basis, on the following terms and conditions.

The key indicative terms of the proposed debenture issue are as follows:

Investor(s) or Subscriber(s)	Avika Retail Online Private Limited (AROPL)
Investee Company or Issuer	CFM Asset Reconstruction Private Limited (CFM ARC)
Issue Size	INR 100,00,00,000/- (Rupees One Hundred Crores Only) Allotment may be done in one or more tranches
Face value per debenture	INR 1,00,000/-
Number of debentures	10,000
Issue price	At par
Nature of Instrument	Unrated Unlisted Secured Non-Convertible Debentures (NCDs)

Corporate Office: 1st Floor, Wakefield House, Sprott Road, Ballard Estate, Mumbai 400038

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

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	through Private Placement.
Object of issue (Transaction)	Acquisition of Financial Assets as allowed under extant RBI Master Circular
Utilization of proceeds	Towards funding of investment in SRs of the Trust for the acquisition of financial assets as mentioned above.
Tenor and Repayment	To be repaid and fully redeemed on or before the last date of redemption, i.e., within 5 years from the date of subscription to the NCD issue, with an option for prepayment, after a lock in period of 1 year.
Security	Hypothecation of identified cashflows of Trust in which the proceeds are being utilized for acquisition.
Return	Coupon at the rate of 1% to be paid annually. Any upside realized in the trust account, post appropriation of expenses, management fee, recovery incentives etc. shall be paid as redemption premium.
Due diligence & other conditions	Investment subject to such other conditions customary to transaction of this nature including satisfactory due diligence and other conditions precedents customary for transactions of this nature. Representations & Warranties and Covenants customary to transaction of this nature to be included in definitive documents. Definitive agreements including Debenture Trust Deed to be executed between parties.
Conditions precedent	The Definitive Documents shall contain conditions precedent that are customary to transactions of this nature including but not limited to following: Receipt of Subscriber's internal approvals. Receipt of certified true copy of the board resolution and relevant corporate authorizations.
Conditions Subsequent	The Definitive Documents shall contain conditions subsequent that are customary to transactions of this nature.
Event of Default and Consequences of Event of Default	Nonpayment of the fixed coupon on due dates. Non-redemption of entire NCDs at the end of 5 years. The Definitive Documents shall contain a list of events of default and the consequences of such events of default.
Confidentiality	No party shall disclose this term sheet (or of its existence) or any information related hereto to any third party other than its officers, employees, directors, or professional advisors on a need-to-know basis unless previously agreed in writing by the other party. No statement will be made by any Party with respect to any confidential



	information, unless previously agreed to by the other Parties in writing.
Dispute Resolution	In the event of any dispute or disagreement between the parties either in interpreting any provision of this Agreement or about the performance of either Party and upon the written request of either Party, each of the Parties will appoint a designated representative to attempt to resolve such dispute or disagreement. The designated representatives will discuss the problem and negotiate in good faith in an effort to resolve the dispute without any formal proceedings. The specific format of such discussion shall be left to the discretion of the designated representatives. No arbitration for the resolution of such dispute may be commenced until the designated representatives have met and either Party has concluded in good faith that amicable resolution through continued negotiation does not appear likely (unless either Party fails or refuses to appoint a designated representative and schedule a meeting of such representatives within thirty (30) days after a request to do so by the other Party). The Arbitration would be carried out under the Arbitration and conciliation Act, 1996 and any statutory modification thereof. The seat of arbitration shall be Mumbai.
Governing Law and Jurisdiction:	Transaction will be governed by Indian laws. Subject to the above clause on Dispute Resolution, the competent courts at and tribunals of Mumbai shall have exclusive jurisdiction to settle any dispute arising out of or in connection with this term sheet.

RESOLVED FURTHER THAT any Director or Mr. Shashikant Shah, Chief Executive Officer of the Company, Ms. Nidhi Saharia, Chief Operating Officer of the Company, Ms. Richa Porwal, President of the Company ("**Authorised Signatories**") be and are hereby severally authorized to enter into, execute and register (as the case may be) the Transaction Documents and any other agreements, powers of attorney, letters, undertakings, confirmations, declarations and to do such other things, acts, deeds or matters as may be required by the Debenture Trustee.

RESOLVED FURTHER THAT the Private Placement Offer Letter (in the format set out in Form No. PAS-4 under the Companies Act, 2013) together with an application form be issued to the applicants, inviting them to subscribe to the Debentures and their name be entered on record prior to issuance of the invitation to subscribe.

RESOLVED FURTHER THAT Debenture Trustee is to be appointed for the purpose of acting as debenture trustee in respect of the Debentures issued by the Company and further that



the Company, by the hand of its Authorized Signatories, execute all such agreements and documents as may be required to confirm such appointment.

RESOLVED FURTHER THAT a certified true copy of the aforesaid resolution be furnished to Debenture Trustee and/or such persons/entities as may be deemed fit.”

For & On behalf of Board of Directors
CFM Asset Reconstruction Private Limited


Sakshi Poddar
Company Secretary



Date: 19th April, 2024
Place: Mumbai

NOTES:

1. A Member entitled to attend and vote at the Extra-ordinary General Meeting (EGM) is entitled to appoint a proxy to attend and vote instead of himself/ herself and the proxy need not be a Member of the Company.
2. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act), in respect of all the business under Items of the Notice, is annexed hereto.
3. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days, except Saturdays and holidays, up to the date of the EoGM.
4. The route map showing directions to reach the venue of Extraordinary General Meeting is annexed.



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

The following is the Explanatory Statement as required by Section 102 of the Companies Act, 2013, sets out all material facts relating to Special Business mentioned in the accompanying Notice for convening the Extra Ordinary General Meeting of the members of the Company:

Item No. 1

As per Section 42, Section 71, Section 179 and other applicable sections of the Companies Act, 2013 and the rules made thereunder and any amendment or modifications thereof, if any and under the provisions of the Memorandum and Articles of Association of the Company, the Company is proposing to issue up to 10,000 unlisted, secured, Redeemable Non-Convertible Debentures, having face value of INR 1,00,000 (Indian Rupees One Lakh only) each aggregating up to **INR 100 Crores (Indian Rupees One Hundred Crores)**, (hereinafter referred to as "NCD" or "Debentures") in one or more tranches, as per key indicative terms of the issuance of proposed debenture as mentioned in the draft resolution.

As per Section 42 of the Companies Act, 2013, for private placement of the Debentures, the permission of the shareholders by way of special resolution in a general meeting is required for the issuance of Debentures.

The disclosures as required under Section 42 of the Companies Act, 2013 as amended from time to time (the Act) and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time (the Rules) are as under:

a) Particulars of offer including date of passing the Board Resolution:

Resolution for issue of NCDs on a Private Placement Basis for a value not exceeding Rs. 100 Crores, in one or more tranches, had been passed by the Board in its meeting held on April 19, 2024.

b) Kind of Securities offered and the price at which security is being offered:

Unrated Unlisted Secured Non-Convertible Debentures (Debentures or NCDs). The NCDs be issued at par i.e. INR 100,000 per NCD.

c) Basis or justification for the price (including premium, if any) at which the offer or invitation is being made:

Not Applicable.

d) Name and address of valuer who performed valuation:



Not Applicable

e) Amount which the company intends to raise by way of such securities:

Amount aggregating upto Rs. 100 Crores (Rupees One Hundred Crores only) in one or more tranches.

f) Material terms of raising such securities, proposed time schedule, purpose or objects of offer, contribution being made by the promoters or Director either as part of offer or separately in furtherance of objects; principal terms of assets charged as securities:

Investor(s) or Subscriber(s)	Avika Retail Online Private Limited (AROPL)
Investee Company or Issuer	CFM Asset Reconstruction Private Limited (CFM ARC)
Issue Size	INR 100,00,00,000/- (Rupees One Hundred Crores Only) Allotment may be done in one or more tranches
Face value per debenture	INR 1,00,000/-
Number of debentures	10,000
Issue price	At par
Nature of Instrument	Unrated Unlisted Secured Non-Convertible Debentures (NCDs) through Private Placement.
Object of issue (Transaction)	Acquisition of Financial Assets as allowed under extant RBI Master Circular
Utilization of proceeds	Towards funding of investment in SRs of the Trust for the acquisition of financial assets as mentioned above.
Tenor and Repayment	To be repaid and fully redeemed on or before the last date of redemption, i.e., within 5 years from the date of subscription to the NCD issue, with an option for prepayment, after a lock in period of 1 year.
Security	Hypothecation of identified cashflows of Trust in which the proceeds are being utilized for acquisition.
Return	Coupon at the rate of 1% to be paid annually. Any upside realized in the trust account, post appropriation of expenses, management fee, recovery incentives etc. shall be paid as redemption premium.
Due diligence & other conditions	<ul style="list-style-type: none">Investment subject to such other conditions customary to transaction of this nature including satisfactory due diligence



	<p>and other conditions precedents customary for transactions of this nature.</p> <ul style="list-style-type: none"> • Representations & Warranties and Covenants customary to transaction of this nature to be included in definitive documents. • Definitive agreements including Debenture Trust Deed to be executed between parties.
Conditions precedent	<p>The Definitive Documents shall contain conditions precedent that are customary to transactions of this nature including but not limited to following:</p> <ul style="list-style-type: none"> • Receipt of Subscriber's internal approvals. • Receipt of certified true copy of the board resolution and relevant corporate authorizations.
Conditions Subsequent	<p>The Definitive Documents shall contain conditions subsequent that are customary to transactions of this nature.</p>
Event of Default and Consequences of Event of Default	<p>Nonpayment of the fixed coupon on due dates.</p> <p>Non-redemption of entire NCDs at the end of 5 years.</p> <p>The Definitive Documents shall contain a list of events of default and the consequences of such events of default.</p>
Confidentiality	<p>No party shall disclose this term sheet (or of its existence) or any information related hereto to any third party other than its officers, employees, directors, or professional advisors on a need-to-know basis unless previously agreed in writing by the other party. No statement will be made by any Party with respect to any confidential information, unless previously agreed to by the other Parties in writing.</p>
Dispute Resolution	<p>In the event of any dispute or disagreement between the parties either in interpreting any provision of this Agreement or about the performance of either Party and upon the written request of either Party, each of the Parties will appoint a designated representative to attempt to resolve such dispute or disagreement. The designated representatives will discuss the problem and negotiate in good faith in an effort to resolve the dispute without any formal proceedings. The specific format of such discussion shall be left to the discretion of the designated representatives. No arbitration for the resolution of such dispute may be commenced until the designated representatives have met and either Party has concluded in good faith that amicable resolution through continued negotiation does not appear likely (unless either Party fails or refuses to appoint a designated representative and schedule a meeting of such</p>



	representatives within thirty (30) days after a request to do so by the other Party). The Arbitration would be carried out under the Arbitration and conciliation Act, 1996 and any statutory modification thereof. The seat of arbitration shall be Mumbai.
Governing Law and Jurisdiction:	Transaction will be governed by Indian laws. Subject to the above clause on Dispute Resolution, the competent courts at and tribunals of Mumbai shall have exclusive jurisdiction to settle any dispute arising out of or in connection with this term sheet.

None of the promoter or Directors are interested in subscribing the issue.


The members are further informed that a debenture trustee is required to be appointed for the purpose of issuance of Debentures. **Catalyst Trusteeship Limited**, a company incorporated under the Act, and registered under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, is proposed to be appointed as Debenture Trustee for the transaction (hereinafter referred to as the "Debenture Trustee / Trustee")

In order to authorize to the Board for taking further action. It is necessary to pass the said special resolution for issuance of Debentures of Rs 100 crores as set out in the Item No. **1** of the notice.

None of the Directors are interested in the aforesaid Resolution.

Your Directors recommend the resolution set out above to be passed as a special resolution by the members.

For & On behalf of Board of Directors
CFM Asset Reconstruction Private Limited


Sakshi Poddar
Company Secretary
Date: April 19, 2024
Place: Mumbai



**ROUTE MAP OF THE VENUE OF THE
EXTRA-ORDINARY GENERAL MEETING OF THE COMPANY**

EGM Venue:

1st floor, Wakefield House, Sprott Road, Ballard Estate, Mumbai 400038.

Prominent Landmark:

Ballard Estate

