

NATIONAL ASSET RECONSTRUCTION COMPANY LIMITED

TRANSCRIPT OF THE PROCEEDINGS OF THE 03rd EXTRA-ORDINARY GENERAL MEETING OF NATIONAL ASSET RECONSTRUCTION COMPANY LIMITED HELD ON SATURDAY, FEBRUARY 17, 2024, COMMENCED FROM 11:00 A.M. THROUGH VIDEO CONFERENCING / OTHER AUDIO-VISUAL MEANS

Welcome Address by Mr. Diwakar Gupta, Chairperson of the Meeting as appointed in the Meeting:

“Distinguished Board Members of NARCL, our esteemed Shareholders, Ladies and Gentlemen, a very good morning to all of you. On behalf of the Board of Directors, it gives me great pleasure to extend a very warm welcome to all of you on the occasion of the 03rd Extra Ordinary General Meeting of NARCL.

Let me take this opportunity to introduce to you my colleagues Mr. Richard Andrew Mendonca, Independent Director and Chairman of Audit Committee, Ms. Malvika Sinha, Independent Director and Chairperson of Nomination and Remuneration Committee, Mr. Ajit Krishnan Nair, Nominee Director (Canara Bank) and Mr. P Santhosh, MD & CEO of NARCL. Mr. Rakesh Singh, Nominee Director, (HDFC Bank) has expressed his inability to join, due to his other commitments.

Mr. Arindam Biswas, Chief Financial Officer, and Mr. Purshotam Agarwal, Chief Investment Officer and Mr. Kapil Soni, Company Secretary of the Company are also attending the AGM.

The statutory registers and documents referred to in the Notice and the Explanatory Statement will be made available for inspection in electronic form, if required by the Members.

I would like to convey my deepest gratitude to our valued shareholders for the faith and support provided so far.

“I request Mr. Kapil Soni, the Company Secretary to let me know whether all efforts feasible under the circumstances have been made by the Company to enable members to participate and vote on the agenda being considered in the meeting and whether the required quorum is present.”

Yes, all efforts feasible under the circumstances have been made by the Company to enable members to participate and vote on the agenda being considered in the meeting and the required quorum is present for the meeting”.

since the required quorum is present, I declare this meeting in order.”

This is to inform you that the meeting has been called by giving shorter notice of less than the 21 days as prescribed under the provisions of the Companies Act, 2013 for which all the Shareholders have given their consent.

I Seek the Members consent to take the Notice of the EGM as read.”

Now, we can start with the first Item of the Notice of EGM, i.e

TO APPROVE THE BORROWING LIMIT UNDER SECTION 180(1)(C) OF THE COMPANY

The Agenda No. 1 on the notice is for approving the Borrowing limit under Section 180(1)(c) of the Company. Before putting this resolution to vote, I invite questions from the members (if any). Members are requested to keep their questions brief and related to the said agenda only.

“I now formally move the Resolution in respect of Agenda No. 1 of the Notice convening the AGM for voting.”

Request someone to propose the resolution:

I Mr. R Shivshankar, from Indian Overseas Bank, proposed the Resolution.

Request someone to second the resolution:

I Mr. Subashish Sarangi, from Union Bank of India, seconded the Resolution.

I put the Resolution to vote by show of hands.

“THOSE IN FAVOUR” please raise your hands.

“THOSE AGAINST” please raise your hands.

Since there are no votes against, I declare the Resolution to be carried by the requisite majority by a show of hands.

TO APPROVE THE RAISING OF FUNDS VIA ISSUANCE OF UNSECURED, RATED, UNLISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES (NCDS) AGGREGATING TO RS. 2700 CR. IN ONE OR MORE TRANCHES

The next agenda is Agenda No. 2 is to approve raising of funds via issuance of Unsecured, Rated, Unlisted, Redeemable Non-Convertible Debentures (NCDs) aggregating to Rs. 2700 Cr. in one or more tranches. Before putting this resolution to vote, I invite questions from the members. Members are requested to keep their questions brief and related to the said agenda of fund raising.

Mr. Aravind Kumar Sharma, representative of Bank of Baroda, mentioned that “The 7% Coupon Rate of the NCD’s which is not in line with the prevailing market rate.”

Mr. Ajay Kumar Reddy, representative of Punjab & Sind Bank, also expressed their dissent by stating the same.

Mr. Dinesh Jadhav, representative of Canara Bank also stated that “Canara Bank is not in favour of the said coupon rate for the debt issue.” Mr. Subhashish Sarangi, representative of Union Bank also added that “Union Bank is not in favor of this resolution”

Mr. Dinesh Jadhav further added “As per the clause 6.2.1 of the Investment Agreement the Board has preemptive right to decide on the coupon rate of the proposed funding.”

Mr. Shashidharan, representative of Indian Bank also expressed their dissent by stating that “the five-year government security is at annualized basic at around 7.15% and it is a fully secured instrument while the proposed debt is an unlisted security.” He further added that “The rate of interest on 1-year commercial deposits is 7.8% which is higher than the coupon rate of the said debt issue.”

The queries were answered by the management that “The terms of the issue of NCD have already been agreed and are in line with the Investment Agreement dated 10th March 2022 entered between the Company and the members.”

It was proposed by the management that the said resolution is to be partially modified empowering the Board to decide the coupon rate in consultation with the members for which the members present consented.

Accordingly, the chairman

Requested someone to propose the resolution: I, Md. Naz Perwar, from Indian Bank propose the resolution.

Request someone to second the resolution: I Shashidharan, from Bank of India second the Resolution.

I put the Resolution to vote by show of hands.

“THOSE IN FAVOUR” please raise your hands.

“THOSE AGAINST” please raise your hands.

Since there are no votes against “I declare the modified Resolution to be carried by the requisite majority by a show of hands.”

I recuse myself from the discussion on other Agenda being interested. Mr. Richard Mendonca proposed the name of Ms. Malvika Sinha Independent Director to proceed further.

TO APPROVE THE APPOINTMENT OF MR. DIWAKAR GUPTA (DIN: 01274552) AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY

The next Agenda No. 3 is to appoint Mr. Diwakar Gupta as an Independent Non-Executive Director of the Company. Before putting this resolution to vote, I invite questions from the members. Members are requested to keep their questions brief and related to the appointment of Mr. Diwakar Gupta.

Request someone to propose the resolution: I Aravind Kumar Sharma from Bank of Baroda propose the resolution.

Request someone to second the resolution: I Dinesh Jadhav, from Canara Bank second the Resolution.

I put the Resolution to vote by show of hands.

“THOSE IN FAVOUR” please raise your hands.

“THOSE AGAINST” please raise your hands.

Since there are no votes against “I declare the Resolution to be carried by the requisite majority by a show of hands.”

Now, I request Mr. Diwakar Gupta to again chair the meeting.

TO APPROVE THE APPOINTMENT OF MR. P SANTHOSH (DIN: 08515964) AS AN INTERIM MD AND CEO OF THE COMPANY

The next Agenda No. 4 is to appoint Mr. P Santhosh as an Interim MD & CEO of the Company. Before putting this resolution to vote, I invite questions from the members. Members are requested to keep their questions brief and related to the appointment of Mr. P Santhosh.

Request someone to propose the resolution: I Shashidharan from Bank of India propose the resolution.

Request someone to second the resolution: I Amit Rathee, from IDBI Bank second the Resolution.

I put the Resolution to vote by show of hands.

“THOSE IN FAVOUR” please raise your hands.

“THOSE AGAINST” please raise your hands.

Since there are no votes against “I declare the Resolution to be carried by the requisite majority by a show of hands.”

There being no other business to be transacted, I declare the meeting closed. I thank all of you for sparing your valuable time to attend this meeting.