

NOTICE OF 15TH ANNUAL GENERAL MEETING

Notice is hereby given that the 15th Annual General Meeting of the Members of India SME Asset Reconstruction Company Limited will be held through Video Conference (VC) on Friday, September 29, 2023 at 11:00 a.m. to transact the business stated herein:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year ended March 31, 2023 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Dilip Kumar Jain (DIN No. 06822012), who retires by rotation and being eligible, has offered himself for reappointment. (As per Article 138, 158 and proviso to 187(iii) of AOA of the Company).

Special Business:

3. **Appointment of Shri Hari Shanker Sharma as an Independent Director of 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 149, 152, 160, 161(1) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules made thereunder, read with Schedule IV to the Companies Act, 2013, the Articles of Association of the Company and pursuant to the recommendation of the Nomination & Remuneration Committee and the approval of the Board of Directors of the Company, Shri Hari Shanker Sharma (DIN: 07123442), who was appointed as an Additional Independent Director of the Company of the Board of Directors and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013, and an approval / no-objection received from Reserve Bank of India (RBI) and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of a Director of the Company, and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and being eligible, be and is hereby appointed as an Independent Director of the Company for a term of 3 (three) years commencing from June 22, 2023, whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT MD&CEO/ CFO/ CS be and are hereby authorized to severally digitally sign and submit the necessary form(s) with the Ministry of Corporate Affairs and to do all such acts, deeds, matters and things as may be necessary and expedient to give effect to the aforesaid resolution.”

4. **Appointment of Shri Sandeep Welling as an Independent Director of 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 149, 152, 160, 161(1) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment

and Qualification of Directors) Rules, 2014 and other applicable rules made thereunder, read with Schedule IV to the Companies Act, 2013, the Articles of Association of the Company and pursuant to the recommendation of the Nomination & Remuneration Committee and the approval of the Board of Directors of the Company, Shri Sandeep Welling (DIN: 00072457), who was appointed as an Additional Independent Director of the Company of the Board of Directors and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013, and an approval / no-objection received from Reserve Bank of India (RBI) and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of a Director of the Company, and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and being eligible, be and is hereby appointed as an Independent Director of the Company for a term of 3 (three) years commencing from July 05, 2023, whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT MD & CEO/ CFO/ CS be and are hereby authorized to severally digitally sign and submit the necessary form(s) with the Ministry of Corporate Affairs and to do all such acts, deeds, matters and things as may be necessary and expedient to give effect to the aforesaid resolution."

Place: Mumbai

Date: September 07, 2023

**By order of the Board of Directors
India SME Asset Reconstruction Company Limited**

**Sd/-
(Ketki Muzumdar)
Company Secretary
M.No.A30638**

Notes:-

1. An explanatory statement pursuant to Section 102(1) of the Act relating to special business set out in the Notice is annexed herewith.
2. As required under Secretarial Standard on General Meetings (the SS-2), additional information of Shri Dilip Kumar Jain, Director retiring by rotation and seeking re-appointment and appointment of Shri Hari Shanker Sharma and Shri Sandeep Welling at the Annual General Meeting (AGM), is detailed as Annexure A
3. In accordance with the Ministry of Corporate Affairs (MCA), General Circulars Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 21/2021 dated December 14, 2021; 2/2022 dated May 5, 2022 and 10/2022 dated December 28, 2022, respectively (the MCA Circulars) the AGM will be held without the physical presence of the Members at a common venue and Members can attend and participate in the AGM through VC. In terms of the MCA circulars, the Members are requested to take note of the following:
 - a) Notice convening the AGM of the Company and the Annual Report for the financial year 2022-23 are being sent only by email to those Members who have registered their email address with the Company and have also been uploaded on the website of the Company, viz., www.isarc.in
 - b) Since the AGM is being held through VC, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by Members is not available and as such the Proxy Form and Attendance Slip are not annexed to this Notice.

- c) Pursuant to the relevant Circular, representatives of the Members may be appointed for the purpose of participation and voting in AGM. Corporate Members intending to authorize their representatives to attend the AGM are requested to email the same to cs@isarc.in along with certified true copy of the latest Board Resolution or Power of Attorney, authorizing their representative to participate and vote at the AGM, on their behalf.
- d) Members are requested to send their queries, if any, on Annual Report, to the Company Secretary at the designated email address i.e. cs@isarc.in not less than 2 days before the date of Meeting, so that the requisite information / explanations can be provided in time.
- e) Details for attending the AGM through VC will be shared with the members separately.
- f) Attendance of Members at the AGM through VC shall be counted for the purpose of reckoning the quorum, under the provisions of Section 103 of the Act read with the relevant Circulars.
- g) Pursuant to Section 139 of the Companies Act, 2013, the Auditors of a Government Company and deemed Government Company are to be appointed or re-appointed by the Comptroller and Auditor General of India (C&AG) and in pursuant to Section 142 of the Companies Act, 2013, their remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in general meeting may determine. The Members had authorized the Board in the 12th AGM held on September 30, 2020 to fix an appropriate remuneration of Statutory Auditors as may be deemed fit by the Board for FY2020-21 and for the subsequent financial years as and when the appointment of Statutory Auditors is made by C&AG.
- h) The Statutory Auditors of the Company for the FY2023-24 shall be appointed by C&AG and accordingly, the Board shall fix appropriate remuneration of the Statutory Auditors for the FY2023-24.
- i) All the documents referred to in this Notice and the Statutory Registers will be made available for inspection by the Company and as such the Members are requested to send an email to cs@isarc.in.
- j) In case a demand for poll is made by any member for any item to be discussed in Annual General Meeting, members may cast their vote at the designated email address i.e. cs@isarc.in.
- k) Since the AGM is being held through VC, the route map for the AGM venue, is not attached.
- l) Members may contact the Company to convey grievances, if any, relating to the conduct of the AGM, at the registered office address or at the designated email address i.e. cs@isarc.in.

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013
setting out all the material facts relating to the Special Business
as set out in Items No. 3 and 4 of this Notice.**

The following Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013 (the Act), sets out all material facts relating to the business mentioned in the accompanying Notice dated September 07, 2023:

Item No.3:

Appointment of Shri Hari Shanker Sharma as an Independent Director of the Company

The Board in its meeting held on March 31, 2023, pursuant to the recommendation of Nomination and Remuneration Committee has approved the appointment of Shri Hari Shanker Sharma as Additional Independent Director, in accordance with the provisions of Section 161 of the Companies Act, 2013 and subject to an approval by the Reserve Bank of India. As per the provisions of Section 161(1) of the Act, Shri Hari Shanker Sharma holds office of Director with effect from June 22, 2023 i.e. the date of approval by the Reserve Bank of India up to the date of this AGM and being eligible, has offered himself for appointment as an Independent Director.

He is retired as General Manager from Bank of Baroda and is having 40+ years of experience in the field of banking and Risk Management. He is the Chairman of the Risk Management Committee and a Member of the Audit Committee, as well as the Nomination and Remuneration Committee of the Board of Directors of the Company.

Considering the rich experience and vast knowledge of Shri Hari Shanker Sharma, his presence on the Board will be valuable to the Company.

The Board recommends the resolution as set out at Item No.3 of the accompanying Notice for approval by the Members of the Company.

Shri Hari Shanker Sharma is interested in the Resolution set out at Item No.3 with respect to his appointment.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company and their relatives are, concerned or interested, financially or otherwise, in the proposed Special Resolution.

Item No.4:

Appointment of Shri Sandeep Welling as an Independent Director of the Company

The Board in its meeting held on March 31, 2023, pursuant to the recommendation of Nomination and Remuneration Committee has approved the appointment of Shri Sandeep Welling as Additional Independent Director, in accordance with the provisions of Section 161 of the Companies Act, 2013 and subject to an approval by the Reserve Bank of India. As per the provisions of Section 161(1) of the Act, Shri Sandeep Welling holds office of Director with effect from July 05, 2023 i.e. the date of approval by the Reserve Bank of India up to the date of this AGM and being eligible, has offered himself for appointment as an Independent Director.

Shri Sandeep Welling is member of ICAI. He is having more than 36 years of experience in the field of finance and accounts. He is Chief Operating Partner of Kirtane & Pandit LLP, Chartered Accountants. He is the Chairman of the Audit Committee of the Board of Directors of the Company.

Considering the rich experience and vast knowledge of Shri Sandeep Welling, his presence on the Board will be valuable to the Company.

The Board recommends the resolution as set out at Item No.4 of the accompanying Notice for approval by the Members of the Company.

Shri Sandeep Welling is interested in the Resolution set out at Item No.4 with respect to his appointment.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company and their relatives are, concerned or interested, financially or otherwise, in the proposed Special Resolution.

Annexure A
**Additional information on Directors seeking appointment / reappointment at the AGM
[Pursuant to the Secretarial Standard on General Meetings]**

Name	Shri Dilip Kumar Jain
DIN	06822012
Age	57 years
Qualification and Expertise in specific functional areas	CGM & CFO – PNB Shri Dilip Kumar Jain has been appointed as Nominee Director on the Board of the Company with effect from January 31, 2023. He is a member of Institute of Chartered Accountants of India, CAIIB and M.Com. He is having an experience of more than 35 years in public sector bank and SFC. He has extensive experience as a financial analyst and has held many senior positions in the Punjab National Bank. He is the Chief General Manager and Chief Financial Officer of Punjab National Bank since October 2020. He is also nominee Director in PNB Housing Finance Ltd.
Terms and conditions of appointment	Nominee Director liable to retire by rotation as per the Articles of Association
Details of remuneration sought to be paid	Nil
Details of the remuneration last drawn (FY 2022-23)	Nil
Date of first appointment on the Board	January 31, 2023
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel	None
The number of Meetings of the Board attended during (FY 2022-23)	1/1
Other Directorships (excluding India SME Asset Reconstruction Company Limited)	PNB Housing Finance Limited
Membership / Chairmanship of Committees of other Board	Member of Audit Committee, Risk Management Committee and Executive Committee of the Board of Directors
Name	Shri Hari Shanker Sharma
DIN	07123442
Age	67 years
Qualification and Expertise in specific functional areas	Shri Hari Shanker Sharma has been appointed as Independent Director on the Board of the Company, for a term of three years, with effect from June 22, 2023. He is retired as General Manager from Bank of Baroda and is having 40+ years of experience in the field of banking and Risk Management.
Terms and conditions of appointment	Independent Director not liable to retire by rotation
Details of remuneration sought to be paid	Sitting Fees
Details of the remuneration last drawn (FY2022-23)	Nil

Date of first appointment on the Board	June 22, 2023
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel	None
The number of Meetings of the Board attended during (FY2022-23)	N.A.
Other Directorships (excluding India SME Asset Reconstruction Company Limited)	SREI Capital Markets Limited SREI Mutual Fund Asset Management Private Limited Controlla Electrotech Private Limited Webextensions Private Limited
Membership / Chairmanship of Committees of other Board	He is the Chairman of the Risk Management Committee and a Member of the Audit Committee, as well as the Nomination and Remuneration Committee of the Board of Directors of the Company.

Name	Shri Sandeep Welling
DIN	00072457
Age	56 years
Qualification and Expertise in specific functional areas	Shri Sandeep Welling has been appointed as Independent Director on the Board of the Company, for a term of three years, with effect from July 05, 2023. He is member of ICAI. He is having more than 36 years of experience in the field of finance and accounts. He is Chief Operating Partner of Kirtane & Pandit LLP, Chartered Accountants.
Terms and conditions of appointment	Independent Director not liable to retire by rotation
Details of remuneration sought to be paid	Sitting Fees
Details of the remuneration last drawn (FY2022-23)	Nil
Date of first appointment on the Board	July 05, 2023
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel	None
The number of Meetings of the Board attended during (FY2022-23)	N.A.
Other Directorships (excluding India SME Asset Reconstruction Company Limited)	Kirtane & Pandit LLP
Membership / Chairmanship of Committees of other Board	He is the Chairman of the Audit Committee of the Board of Directors of the Company.