

NOTICE

NOTICE is hereby given that the 2nd (2024-25) Extra-Ordinary General Meeting of the Members of Northern Arc Capital Limited (the “Company”) will be held on **Friday, the 21st day of June 2024 at 10.30 AM** at the registered office of the Company at 10th Floor-Phase 1, IIT-Madras Research Park, Kanagam Village, Taramani, Chennai – 600 113 to transact the following business:

SPECIAL BUSINESS

1. Approval for Issue of Non-Convertible Debentures:

To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in supersession of the earlier resolution passed by the members in their meeting held on June 15, 2023, and pursuant to the provisions of Section 42, 71 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions of the Companies Act, 2013 and rules made thereunder; Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Rules, Guidelines, Regulations, Circulars as amended from time to time, and subject to such other approvals, as may be required, if any, from regulatory authorities from time to time, consent be and is hereby accorded to issue of secured/unsecured non-convertible debentures in one or more tranches up to a maximum amount not exceeding INR 6,000 Crore (Rupees Six Thousand Crore) during a period of one year from the conclusion of this Extra-Ordinary General Meeting on such terms and conditions, to such persons or institutions, as the Board of Directors/Committee may decide in its absolute discretion.

RESOLVED FURTHER THAT the Board of Directors or any Committee constituted by the Board be and are hereby severally authorized to do all such acts, deeds, matters, and things as may arise for the implementation of the aforesaid resolution including filing of relevant forms with regulators and for all matters connected therewith.”

2. APPROVAL FOR BORROW IN EXCESS OF PAID UP CAPITAL AND FREE RESERVES AND SECURITIES PREMIUM.

To consider, and if thought fit, to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** in supersession of the earlier resolution passed by the members in their meeting held on June 15, 2023, and pursuant to Section 180(1)(c) of the Companies Act, 2013 and all other provisions

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as may be applicable, if any, the consent of the shareholders be and is hereby accorded to the board or any committee constituted by the Board to borrow from time to time any sum or sums of money from Banks, financial institutions, non-banking financial companies, co-operative banks, investment institutions, mutual funds, other bodies corporates, recognised overseas lenders and such other permissible sources for borrowing in Indian Rupees or equivalent thereof in any foreign currency(ies) on such terms and conditions as the Board of Directors/Committee may deem fit for such borrowing, whether by way of advances, loans, external commercial borrowings, inter-corporate deposits issue of debentures/bonds and/or other instruments, whether convertible into equity / preference shares / other securities, whether secured or unsecured, whether domestic or international, whether secured by way of mortgage, charge, hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the company's assets and/or properties, which together with the monies, already borrowed by the Company (apart from temporary loans obtained or to be obtained by the Company from its bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company, its free reserves and securities premium, provided that the total amount so borrowed shall not at any time exceed the limit of 13,000 Crore (Rupees Thirteen Thousand Crore Only)".

RESOLVED FURTHER THAT the Board of Directors or any committee constituted by the Board be and are hereby severally authorised to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution including filing of relevant forms with the regulators and for such other matters connected therewith or incidental thereto."

3. APPROVAL FOR CREATION OF SECURITY FOR THE BORROWINGS 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 in supersession of the earlier resolution passed by the members in their meeting held on June 15, 2023 and pursuant to Section 180(1) (a) and other applicable provisions, if any, of the Companies Act, 2013 the applicable rules prescribed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in suppression of any previous resolutions passed to this effect, consent of the members be and is hereby accorded to the Board of Directors of the Company to pledge, hypothecate, mortgage and/or charge in all or any part of the movable or immovable properties of the company and whole of the undertaking of the company of every nature and kind whatsoever and/or charge in all or any part of the undertaking of the company to or in favour of banks, financial institutions, debenture trustees or any other lenders/creditors, to secure the amounts borrowed by the company or any third party, from time to time, for the due payment of the principal together with any interest, charges, costs, expenses and all other monies payable by the company or any third party in respect of such borrowings provided that the maximum extent of the

indebtedness secured by the properties of the company does not exceed Rs. 13000/- crores (Rupees Thirteen Thousand Crores) at any time.

RESOLVED FURTHER THAT Board of Directors of the company or any committee constituted by the Board be and are hereby authorized to do such acts, deeds, things and execute all such documents, undertaking as may be necessary for giving effect to the above resolution.”

Date: 29.05.2024
Place: Chennai

By and on behalf of the Board of
Northern Arc Capital Limited
S/d
Prakash Chandra Panda
Company Secretary & Compliance officer
Membership No – A22585

NOTES:

1. *A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.*

A proxy form, duly completed and stamped, must reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

2. Attendance slips and proxy form are annexed hereto.
3. *Corporate Members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing such representative to attend and vote on their behalf at the meeting.*
4. *All the relevant documents referred in this Notice shall remain open for inspection by the Members of the Company at the Registered Office from 10:00 AM to 4:00 PM on all working days (except Saturday) upto the date of this Extraordinary General Meeting.*
5. *The relevant Explanatory Statement pursuant to Section 102 of the Companies Act 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.*

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Route map to the venue of Extra-ordinary General Meeting



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ANNEXURE TO NOTICE
EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

Item No. 1: Approval for Issue of Non-Convertible Debentures:

The Company raises funds by issue of Non-Convertible Debenture (NCD) to meet its business requirements. In terms of Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, every issue of debentures is required to be approved by the members of the Company by special resolution. Further, Second Proviso to Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 permits the Company to pass a special resolution once in a year for offer or invitation of non-convertible debentures to be made during the year on a private placement basis in one or more tranches.¹

Consent of the members is therefore sought in connection with the aforesaid issue of debentures/bonds from time to time and they are requested to authorize the Board to issue non-convertible debentures in one or more tranches.

The Board recommends the special resolution set forth in Item No. 1 of the Notice for approval of the Members.

Statement of Disclosure as required under Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014:

(a)	Particulars of the offer including date of passing of Board Resolution	Secured or Unsecured Redeemable NCDs whether cumulative and/or non-cumulative for an amount not exceeding in aggregate INR 6,000 Crore in one or more tranches, on a private placement basis at such interest rates and on such terms and conditions as may be determined by the Board of Directors of the Company. Date of passing board resolution: 29 th May, 2024.
(b)	Kinds of securities offered and the price at which security is being offered	Secured or Unsecured Redeemable NCDs whether cumulative and/or non-cumulative at premium, discount or at par as may be determined by the Board of Directors of the Company

¹ The quoted rule permits the company to pass a special resolution where the proposed amount to be raised through such offer or invitation exceeds the limit as specified in clause (c) of sub-section (1) of section 180. It is clarified that currently these limits are not exceeded.

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(c)	Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	Since the issuance would be in one or more tranches, the price would be determined by Board of Directors of the Company or a Committee authorized by the Board based on prevailing market conditions at the time of issue of NCDs.
(d)	Name and address of valuer who performed valuation	Not Applicable for NCDs.
e)	Amount which the company intends to raise by way of such securities	INR 6,000 Crore for the FY 2024-25
(f)	Material terms of raising such securities,	Since the issuance would be in one or more tranches, the material terms will be determined by Board of Directors of the Company based on the provisions of Companies Act, 2013, the rules made thereunder and other applicable laws.
	Proposed time schedule	During the financial year 2024-25
	Purpose or Objects of the Offer	The proceeds of the issues would be used for (a) deployment in business and growth of asset book by on lending (b) General Corporate purpose for ordinary course of business and for such other purposes related to the business of the Company as the Board/Committee thinks appropriate.
	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects	Nil
	Principle terms of assets charged as securities	The principal amount of the Secured NCDs issued along with all interest due will be secured by way of charge on assets of the Company in favour of the Debenture Trustee, in such manner as may be mutually decided by the Company and Debenture Trustee.

The Board of Directors recommends the resolution set out in Item No. 1 of the notice for approval of the members.

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None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested in this resolution.

Item No.2: Approval to borrow in excess of paid-up capital, free reserves and securities premium.

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company is desirous of raising finance from financial institutions, non-banking financial companies, co-operative banks, investment institutions, banks, mutual funds, and other bodies

corporate in Indian Rupees or equivalent thereof in any foreign currency(ies) on such terms and conditions as the Board may deem fit for such borrowing, whether by way of advances, loans, inter-corporate deposits issue of debentures/bonds and/or other instruments, whether secured or unsecured, whether domestic or international, whether secured by way of mortgage, charge, hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the company's assets and effects or properties. Hence it is proposed borrow a maximum amount upto Rs. 13,000 Crore Only (Rupees Thirteen Thousand Crore outstanding at any point in time), subject to the capital adequacy requirements prescribed by RBI. 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, its free reserves and securities premium at any one time except with the consent of the members of the Company in a general meeting.

The Board of Directors recommends the resolution set out in Item No. 2 of the notice for approval of the members.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested in this resolution.

Item 3: Creation of security for borrowings of the Company

As per the provisions of section 180(1)(a) of the Companies Act, 2013, a company shall not sell, lease or otherwise dispose of the whole or substantially whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking unless approval of members is obtained by way of special resolution.

In connection with the loan/credit facilities to be availed by the Company, as and when required through various sources for business purposes, the Company might be required to create charges on its assets by way of hypothecation, mortgage, lien, pledge etc. in favour of lenders up to the limited approved under Section 180(1)(c) of the Companies Act, 2013, for securing the loan/credit facilities extended by them to the Company. Further, upon occurrence of default under loan/facility agreements and other documents as may be executed by the Company with its lenders, the lenders would have certain rights



in respect of the secured assets including right of sale/disposal and the enforcement of assets by lenders might amount to sale/disposal of whole or substantially whole of the undertaking under section 180(1)(a) of the Act.

In view of the proposed borrowing limit of INR 13000 Crore, the Board recommends the same limit up to which charge can be created on the assets of the Company.

The Board of Directors recommends the resolution set out in Item No. 3 of the notice for approval of the members.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested in this resolution.

Date: 29.05.2024
Place: Chennai

By and on behalf of the Board of
Northern Arc Capital Limited

S/d
Prakash Chandra Panda
Company Secretary & Compliance officer
Membership No – A22585

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