RARE ASSET
Reconstruction Ltd.

NOTICE OF EXTRA-ORDINARY GENERAL MEETING NO. 1/2025-26

Notice is hereby given that the Extra-Ordinary Meeting (EGM) No. 1/2025-26 of the Members of the Company at Shorter Notice will be held on Tuesday, March 17, 2026 at 03:00 P.M. (IST) at the registered office of the Company at 104-106, Gala Argos, Nr. Harikrupa Tower Gujarat College Road, Ellisbridge, Ahmedabad – 380006 to transact the following business:

SPECIAL BUSINESS:

1. <u>TO INCREASE AUTHORIZED SHARE CAPITAL AND ALTERATION OF CLAUSE V OF MEMORANDUM OF ASSOCIATION OF THE COMPANY:</u>

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 13, 61 and 64 and all other applicable provisions of the Companies Act, 2013 (“the Act”), if any, (including any statutory modification(s) or re-enactment thereof or the time being in force and rules framed there under) and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to increase the Authorised Share Capital of the Company from Rs. 200,00,00,000 (Rupees Two Hundred Crores Only) divided into 20,00,00,000 (Twenty Crores) Equity Shares of Rs.10/- (Rupees Ten Only) each to Rs. 2,25,00,00,000 (Rupees Two Hundred Twenty-Five Crores Only) divided into:

a) 20,00,00,000 (Twenty Crores) Equity Shares of Rs.10/- (Rupees Ten) each; and
b) 2,50,00,000 (Two Crores Fifty Lakhs) Preference Shares of Rs. 10/- (Rupees Ten) each

by creation of additional 2,50,00,000 (Two Crores Fifty Lakhs) Preference Shares of Rs. 10/- (Rupees Ten) each aggregating to Rs. 25,00,00,000/- (Rupees Twenty-Five Crores Only) and consequent upon which Clause No. V of the Memorandum of Association be altered accordingly.

RESOLVED FURTHER THAT the Memorandum of Association of the Company be altered in the following manner i.e. existing Clause V of the Memorandum of Association of the Company be and is hereby repealed and replaced with the following Clause V:

V. The Authorised Share capital of the Company is Rs. 2,25,00,00,000 (Two Hundred Twenty-Five Crores Only) divided into:

a) 20,00,00,000 (Twenty Crores) Equity Shares of Rs.10/- (Rupees Ten) each; and
b) 2,50,00,000 (Two Crores Fifty Lakhs) Preference Shares of Rs. 10/- (Rupees Ten) each

RESOLVED FURTHER THAT Mr. Anil Kumar Bhandari, Managing Director, Mr. Sandeep Vrat, Director & CEO and Ms. Deepika Agrawal, Company Secretary of the Company, be and are hereby severally authorised to take necessary actions to give effect to the foregoing resolution, submission of documents and papers with the concerned authorities to register and implement the aforesaid amendment to the Memorandum of Association of the Company and to do all such acts, deeds and things as may be necessary in this regard including authorizing any officers of the Company for this purpose.”

2. TO APPROVE ISSUANCE OF EQUITY SHARES THROUGH PRIVATE PLACEMENT ON PREFERENTIAL ALLOTMENT BASIS:

To consider and, if thought fit, to pass the following resolution as a Special resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, (including any amendment(s), statutory modification(s) or re-enactment(s) thereof), for the time being in force, and any other applicable procedural laws made under any of the above mentioned statutes in the form of any other procedural rule(s), regulation(s), circular(s), notification(s), order(s) etc., and pursuant to the provisions of any other substantive and/or procedural laws that may be applicable in this regard; and the provisions of the Memorandum and Articles of Association of the Company and such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed in granting of such approvals, permissions and sanctions including by Reserve Bank of India or any of the authorities, if any, the consent of the Members of the Company be and is hereby given to create offer and issue 4,68,75,000 equity shares of face value of Rs. 10/- each at a premium of Rs. 22/- per share aggregating to Rs. 1,50,00,00,000/- (One Hundred Fifty Crores Rupees only) to M/s. Renaissance Fiscal Services Private Limited, Mr. Praveen Kumar Jain, M/s. IIFL Finance Limited, Narendra Maganlal Mehta, Manoj Maganlal Mehta and Sanjay Maganlal Mehta through Private Placement on preferential allotment basis, in one or more tranches, within one year of passing of the special resolution on such terms and conditions, in such manner as the Board may think fit in absolute discretion.

RESOLVED FURTHER THAT for the purpose of giving effect to issuance of above equity shares, Mr. Anil Kumar Bhandari, Managing Director, Mr. Sandeep Vrat, Director & CEO and Ms. Deepika Agrawal, Company Secretary of the Company, be and are hereby severally authorized to sign, issue and circulate the Private Placement-cum-Preferential Allotment Offer Letter in form PAS-4 along with application form and to keep and maintain the records thereof in PAS-5 and to do all such acts, deeds, matters and things as may deem necessary and expedient and to sign all documents, deeds, papers, and forms in regard to such issue of equity shares.

RESOLVED FURTHER THAT Mr. Anil Kumar Bhandari, Managing Director, Mr. Sandeep Vrat, Director & CEO and Ms. Deepika Agrawal, Company Secretary of the Company, be and are hereby severally authorised to furnish copies of the foregoing resolutions, certifying them to be true, to any concerned person(s)/ authority(ies) as and when required."

3. <u>TO APPROVE ISSUANCE OF 0.01_% NON-CUMULATIVE COMPULSORY CONVERTIBLE PREFERENCE SHARES THROUGH PRIVATE PLACEMENT ON PREFERENTIAL ALLOTMENT BASIS:</u>

To consider and, if thought fit, to pass the following resolution as a Special resolution:

"RESOLVED THAT pursuant to provisions of Section 42, 55 and Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities), Rules, 2014 and Rule 9 and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable Rules, if any, prescribed thereunder (including any statutory modifications or re-enactments thereof, for the time being in force), RBI guidelines issued from time to time and pursuant to the clause no. 5 of the Articles of Association of the Company and the regulations/guidelines, if any, prescribed by any relevant authorities from time to time, to the extent applicable and subject to approval of members of the Company for increase in Authorised Preference Share Capital of the Company and subject to such other approvals, permissions and sanctions, as may be necessary, consent of the members of the company be and is hereby accorded to create, offer, issue and allot in one or more tranches upto 1,25,00,000 (One Crores Twenty Five Lakhs), 0.01% Non-Cumulative Compulsorily Convertible Preference Shares ("NCCCPS") of face value of Rs. 10/- each at a premium of Rs. 22/- per share aggregating to Rs. 40,00,00,000 (Rupees Forty Crores only), through Private Placement on preferential allotment basis and on such terms and conditions as may be decided and deemed appropriate by the Board of Directors of the Company to the following persons (hereinafter referred as "the proposed allottees"):

Sr. No.	Name of the proposed allotees	No. of NCCCPS to be Allotted Upto	Total Consideration not-exceeding (Rs.)
1.	a) Narendra Maganlal Mehta b) Manoj Maganlal Mehta c) Sanjay Maganlal Mehta	62,50,000 31,25,000 31,25,000	20,00,00,000 10,00,00,000 10,00,00,000
	Total	**1,25,00,000**	**40,00,00,000**

RESOLVED FURTHER THAT in accordance with the provisions of Section 55 of the Companies Act, 2013 and pursuant to Rule 9(2) of the Companies (Share Capital and Debentures) Rules, 2014, the terms of issue of NCCCPS are as follows:

Terms and Conditions of NCCCPS:

(a) the priority with respect to payment of dividend or repayment of capital vis-a-vis equity shares;

The NCCCPS will carry priority of payment over the equity shareholders in respect of payment of dividend when proposed and paid by the Company.

(b) the participation in Surplus fund:

Any participation in the Surplus fund will be restricted to the extent of face value of the NCCCPS.

(c) the participation in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid;

NCCCPS will not be entitled to participate in surplus assets and profits on winding up other than the face value of the NCCCPS.

(d) the payment of dividend on cumulative or non-cumulative basis.

Non-Cumulative

(e) the conversion of preference shares into equity shares.

The Conversion of Preference Shares will be made within 3 (three) years from the date of allotment with Company having a call-option to convert the NCCCPS any-time after the end of 1 (one) year. The NCCCPS will be converted into Equity Shares as per the valuation determined by independent valuer based on the last audited balance sheet, prior to the date of conversion.

(f) the voting rights;

Preference Shares will not carry any voting rights

(g) the redemption of preference shares:

N.A. as these preference shares are compulsorily convertible preference shares

RESOLVED FURTHER THAT in pursuance of the above, the Equity Shares to be issued and allotted pursuant to the conversion of the CCPS:

- shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company;
- shall rank pari passu with the existing Equity Shares in all respects subject to the provisions of the Memorandum of Association and Articles of Association of the Company and applicable laws and regulations; and
- price on conversion, shall be governed by the provisions of Companies Act, as may be applicable at the appropriate time.

RESOLVED FURTHER THAT for the purpose of giving effect to issuance of Non- Cumulative Compulsorily Convertible Preference Shares ("NCCCPS"), Mr. Anil Kumar Bhandari, Managing Director, Mr. Sandeep Vrat, Director & CEO and/or Ms. Deepika Agrawal, Company Secretary of the Company, be and are hereby severally authorized to sign, issue and circulate the Private Placement-cum-Preferential Allotment Offer Letter in form PAS-4 along with application form and to keep and maintain the records thereof in PAS-5 and to do all such acts, deeds, matters and things as may deem necessary and expedient and to sign all documents, deeds, papers, forms in regard to such issue of Non-Cumulative Compulsorily Convertible Preference Shares ("NCCCPS").

RESOLVED FURTHER THAT Mr. Anil Kumar Bhandari, Managing Director, Mr. Sandeep Vrat, Director & CEO and Ms. Deepika Agrawal, Company Secretary of the Company, be and are hereby severally authorised to furnish copies of the foregoing resolutions, certifying them to be true, to any concerned person(s)/ authority(ies) as and when required.

By order of the Board of Directors
For, Rare Asset Reconstruction Limited

Anil Kumar Bhandari
Managing Director
DIN: 02718111
Date: March 11, 2026
Place: Ahmedabad

Registered Office:
104-106, Gala Argos,
Nr. Harikrupa Tower
Gujarat College Road,
Ellisbridge, Ahmedabad - 380 006
CIN: U74900GJ2015PLC084515
Phone no: 079 45932702
E-mail: cs@rarearc.com
Website: www.rarearc.com

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/ HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   Pursuant to the provisions of section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the company carrying voting rights. Members holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other member. The instrument of proxy, in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy form is annexed to this notice. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/ authority, as applicable.

2. Corporate members intending to send their authorized representatives to attend the Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the company a certified copy of resolution of its Board of Directors or other governing body, authorizing their representative to attend and vote on their behalf at the meeting.

3. Consent of the Members holding not less than 95% of the voting power of the Company has been obtained pursuant to Section 101 of the Companies Act, 2013, to convene the Extra-Ordinary General Meeting at shorter notice.

4. Members/ Proxies are requested to bring the attendance slips duly filled in.

5. Members are requested to notify immediately any change of address: (i) to their Depository Participants (DPs) in respect of their electronic share accounts; and (ii) to the Company and to its Share Transfer Agents in respect of their physical share folios, if any.

6. Electronic copy of the shorter notice of the Extra-Ordinary General Meeting of the Company along with Attendance Slip and Proxy Form is being sent to all members whose email IDs are registered with the Company/Depository Participant (DPs).

7. Members may also note that the physical copies of the aforesaid documents will also be available at the Company’s Registered Office during business hours (11.00 A.M. to 5.00 P.M.) on all working days except Saturdays and Sundays, up to and including the date of Extra-Ordinary General Meeting. Members are also entitled to receive such communication in physical form, upon making a request for the same.

8. Route map to the venue of the meeting is annexed hereto.

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013 annexed to the Notice of Extra-Ordinary General Meeting of the members of the Company:

Item No. 01: To Increase Authorized Share Capital and Alteration of Clause V of the Memorandum of Association of the Company.

The members of the Company be informed that presently, the Authorized Share Capital of the Company is Rs. 200,00,00,000/- (Rupees Two Hundred Crores Only) divided into 20,00,00,000 (Twenty Crore) Equity Shares of face value of Rs. 10/- (Rupees Ten Only) each.

In order to create sufficient headroom for the issuance of Compulsory Convertible Preference shares on a private placement basis as proposed in the Item No. 3 of this Notice, the authorized share capital of the Company needs to be increased and consequently altered to the extent mentioned in Item No. 1 of the Notice and consequently changes are required to be made in the Capital Clause of the Memorandum of Association of the Company.

As per the provisions of the Companies Act, 2013, the Company is required to seek approval of the Members for increase in authorized share capital and for consequent alteration of the Capital Clause of the Memorandum of Association. Accordingly, the Board of Directors recommends the resolution set forth in Item No. 1 for the approval of the members of the Company by way of ordinary resolution.

A copy of Memorandum of Association with the proposed changes is available at the Registered Office of the Company for inspection by members from Monday to Saturday from 11.00 a.m. to 1.30 p.m. till the date of Extra Ordinary General Meeting.

None of the Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested (financial or otherwise) in the resolution except to the extent of their shareholding in the Company, if any.

Item No. 02: To approve Issuance of Equity Shares through Private Placement on Preferential Allotment Basis

In order to meet the minimum Net Owned Funds requirements of Rare ARC for the financial year ending on March 31, 2026 of the Company, while sustaining the projected business growth, the Company proposes to raise capital by issuing equity shares on a preferential basis through private placement. It is proposed to offer and issue 4,68,75,000 equity shares of face value of Rs. 10/- each at a premium of Rs. 22/- per share and therefore, at a price of Rs. 32/- per share for a consideration not exceeding an aggregate amount of Rs. 1,50,00,00,000/- (One Hundred Fifty Crores Rupees only) the equity shares proposed to be offered and issued to M/s. Renaissance Fiscal Services Private Limited, Mr. Praveen Kumar Jain, M/s IIFL Finance Limited, Narendra Maganlal Mehta, Manoj Maganlal Mehta and Sanjay Maganlal Mehta through Private Placement on preferential allotment basis, in one or more tranches and which has been recommended by the Board of Directors of the Company at its meeting held on February 12, 2026.

Approval of the members by way of Special Resolution is sought as per the provisions of Section 62(1)(c) read with Section 42 and 179(3)(c) of the Companies Act, 2013 (including any amendment to or re-enactment thereof) read with rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

The Equity Shares, if any, allotted on a preferential basis in the Offer shall rank pari passu in all respects with the existing equity shares.

Accordingly, the approval of the Shareholders is required in accordance with Sections 42 and 62(1) (c) and other applicable provisions of the Companies Act, 2013 and the rules made thereunder. Also, an offer or invitation to subscribe securities under the private placement shall not be made to persons more than two hundred in the aggregate in a financial year.

The following disclosures for the issue of equity shares on preferential basis through private placement are made in accordance with the provisions of Section 42 and 62 (1) (c) of the Companies Act, 2013 and pursuant to Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014:

1.	Object of the issue	• For meeting minimum Net Owned Funds requirements of the Company for the year ended March 31, 2026 (Rs 300 cr stipulated in RBI Circular No. RBI/DOR/2024-25/116, DoR.SIG.FIN.REC.16/26.03.001/2024-25 dated April 24, 2024) • For acquisition of debt/Investment into Security Receipts (SRs) and repayment/prepayment of existing loans.
2.	Particular of the offer including date of passing of Board resolution	The Board of Directors of the Company has decided in its meeting held on February 12, 2026 to issue 4,68,75,000 equity shares of Face Value of Rs. 10/- (Rupees ten only) each at a premium of Rs. 22/- (Rupees Twenty-Two only) each.
3.	No. of shares to be issued	4,68,75,000 (Four Crore Sixty-Eight Lakhs Seventy-Five Thousand) equity shares, in one or multiple tranches, as may be applicable
4.	Kind of securities offered and the price at which the allotment is proposed	The Equity Shares to be issued at a price of Rs. 32/- (Rupees Thirty-Two Only) {Face Value of Rs. 10/- (Rupees ten only) each at a premium of Rs. 22/- (Rupees Twenty-Two only) each}
5.	Basis on which the price has been arrived at along with report of the registered valuer	Price has been arrived based on the share valuation report dated Jan. 20, 2026 has been obtained by the Company from CS Keyur J Shah, Registered Valuer (Reg No IBBI/RV/03/2019/12123)
6.	Name and address of valuer who performed valuation:	CS Keyur J Shah, Registered Valuer (Reg No IBBI/RV/03/2019/12123) Address: 1008, Sun Avenue One, Nr. Shreyas Foundation, Manekbaug Society, Ambawadi, Ahmedabad, Gujarat-380015
7.	Amount which the Company intends to raise by way of such securities	Company intends to raise equity by way of further addition in Equity share capital (including share premium) by Rs. 1,50,00,00,000/- (Rupees One Hundred Fifty Crores only)
8.	Relevant date with reference to which the price has been arrived at	March 31, 2025
9.	The class(s) of persons to whom the allotment is proposed to be made	(a) Renaissance Fiscal Services Private Limited is Promoter / sponsor company of Rare Asset Reconstruction Limited. (b) Mr. Praveen Kumar Jain is Promoter of Rare Asset Reconstruction Limited. (c) IIFL Finance Limited (Financial Institution)

		(d) Narendra Maganlal Mehta (Public category Indian Resident) (e)Manoj Maganlal Mehta, (Public category Indian Resident) and (f) Sanjay Maganlal Mehta (Public category Indian Resident)
10.	Intention of promoters, directors or key managerial personnel to subscribe to the offer;	The Equity Shares shall be offered to the Proposed allottee. None of the other promoters/ sponsors and Directors or Key Managerial Personnel intend to subscribe to the offer on Preferential basis.
11.	Proposed time within which the allotment shall be completed;	Within 60 days from the receipt of the share application money however, the Company shall complete the allotment of equity shares on or before the expiry of 12 months from the date of passing the special resolution by shareholders.
12.	Names of the proposed allottees and the percentage of post preferential offer capital that may be held by them	M/s. Renaissance Fiscal Services Private Limited Currently holding 7,50,45,453 equity shares being 49.16% and post preferential offer its shareholding will be 8,44,20,453 equity shares being 42.31% and Mr. Praveen Kumar Jain Currently holding 2,60,57,220 equity shares being 17.07% and post preferential offer his shareholding will be 3,23,07,220 equity shares being 16.19%. M/s. IIFL Finance Limited Currently not holding any equity shares and post preferential offer his shareholding will be 1,87,50,000 equity shares being 9.40%. Narendra Maganlal Mehta Currently not holding any equity shares and post preferential offer his shareholding will be 62,50,000 equity shares being 3.13%. Manoj Maganlal Mehta, Currently not holding any equity shares and post preferential offer his shareholding will 31,25,000 equity shares being 1.57%. Sanjay Maganlal Mehta Currently not holding any equity shares and post preferential offer his shareholding will be 31,25,000 equity shares being 1.57%.
13.	Change in control, if any, in the company that would occur consequent to the preferential offer;	There shall be no change in management or control of the Company consequent to the preferential offer.
14.	Number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price;	During the year Company has allotted Equity Shares to Renaissance Fiscal Services Private Limited as on May 28, 2025 (42,85,714 equity shares of Rs. 10 each at a premium of Rs. 25) and on August 07, 2025 (57,14,286 equity shares of Rs. 10 each at a premium of Rs. 25), totally aggregating Rs 3500 lakh.
15.	Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.	Consideration in Cash only.
16.	The pre-issue and post issue shareholding pattern of the Company is as follows:	

	Category	**Pre- issue**	**Post- issue**

Sr. No.		No. of Shares held	% of Share	No. of Shares held	% of Share
A	**Promoter**				
1.	Indian:				
	Individual	33,49,000	2.20%	33,49,000	1.68%
	Bodies corporate	7,50,45,453	49.16%	8,44,20,453	42.31%
	Sub-total	**7,83,94,453**	**51.35%**	**8,77,69,453**	**43.99%**
2.	Foreign promoters	2,60,57,220	17.07%	3,23,07,220	16.19%
	Sub-total (A)	**10,44,51,673**	**68.42%**	**12,00,76,673**	**60.18%**
B.	**Non-promoters' holding**				
	Individual (Indian Residents)	0	0.00%	1,25,00,000	6.26%
	Institutional investors	0	0.00%	1,87,50,000	9.40%
	Non-institution:				
	Private corporate bodies	6,00,000	0.39%	6,00,000	0.30%
	Directors and relatives	0	0.00%	0	0.00%
	Others (NRIs)	4,76,04,883	31.18%	4,76,04,883	23.86%
	Sub-total (B)	**4,86,54,883**	**31.58%**	**7,94,54,883**	**39.82%**
	Grand Total	**15,26,56,556**	**100.00%**	**19,95,31,556**	**100.00%**

Since proposed issuance of equity shares is through Private Placement on preferential allotment basis, this is required to be approved by members by passing a Special Resolution in terms of afore-mentioned provisions Companies Act, 2013 and rules thereunder.

The Board of Directors recommends passing Special Resolution as set out at Item No. 2 of the Notice for approval by the members.

Except Mr. Anil Kumar Bhandari and Mrs. Shikha Bhandari, none of the other Directors/ Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the resolutions set out in Item No. 2 of the Notice.

Item No. 03: To Approve Issuance of [0.01%] Non-Cumulative Compulsory Convertible Preference Shares through Private Placement on Preferential Allotment Basis

In order to meet the minimum Net Owned Funds requirements of Rare ARC for the financial year ending on March 31, 2026 of the Company, while sustaining the projected business growth, the Company proposes to raise capital by issuing Non- Cumulative Compulsorily Convertible Preference Shares ("NCCCPS") on a preferential basis through private placement. It is proposed to offer and issue 1,25,00,000 (One Crores Twenty-Five Lakhs) Non-Cumulative Compulsorily Convertible Preference Shares ("NCCCPS") of face value of Rs. 10/- each at a premium of Rs. 22/- per share aggregating to Rs. 40,00,00,000 (Rupees Forty Crores only), the NCCCPS being offered and issued to Narendra Maganlal Mehta, Manoj Maganlal Mehta and Sanjay Maganlal Mehta through Private Placement on preferential allotment basis, in one or more tranches and which has been recommended by the Board of Directors of the Company at its meeting held on February 12, 2026.

In accordance with the provisions of Sections 42, 55 and 62(1)(c) of the Companies Act, 2013 read with the applicable rules made thereunder, and pursuant to relevant clause of Articles of Association of the Company and subject to the approval of the shareholders and other regulatory authorities, if any, the Company offering or making an invitation to subscribe to securities through Private Placement on preferential allotment basis, is required to obtain prior approval of the Shareholders by way of Special Resolution, for each of the offers and invitations.

The Board of Directors at its meeting held on February 12, 2026, subject to approval of the shareholders of the company, has approved the following proposal for issue of Non- Cumulative Compulsorily Convertible Preference Shares ("NCCCPS") through Private Placement on preferential allotment basis.

A Statement of Disclosures as required under Rule 9(3) and 13 of the Companies (Share Capital and Debentures) Rules, 2014 and pursuant to Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 terms of issue of the NCCPS, are as under:

1.	Object of the issue	For meeting minimum Net Owned Funds requirement of the Company for the financial year ending March 31, 2026 (Rs 300 Cr stipulated in RBI Circular No. RBI/DOR/2024-25/116, DoR.SIG.FIN.REC.16/26.03.001/2024-25 dated April 24, 2024) For acquisition of debt/Investment into Security Receipts (SRs) and repayment/prepayment of existing loans.
2.	Particulars of offer including the date of passing of Board Resolution	The Board of Directors of the Company has decided in its meeting held on February 12, 2026 to issue 1,25,00,000 Non-Cumulative Compulsorily Convertible Preference Shares (NCCCPS) of Face Value of Rs. 10/- (Rupees ten only) each at a premium of Rs. 22/- (Rupees Twenty-Two only) each.
3.	Nature of shares i.e. cumulative or non-cumulative, participating or non-participating, convertible or non- convertible	Non-cumulative Preference shares that is compulsorily convertible into equity shares.
4.	Basis on which the price has been arrived at along with report of the registered valuer	Price has been arrived based on the share valuation report dated Jan. 20, 2026 has been obtained by the Company from from CS Keyur J Shah, Registered Valuer (Reg No IBBI/RV/03/2019/12123).
5.	Name and Address of the Valuer who performed the Valuation	CS Keyur J Shah, Registered Valuer (Reg No IBBI/RV/03/2019/12123) Address: 1008, Sun Avenue One, Nr. Shreyas Foundation, Manekbaug Society, Ambawadi, Ahmedabad, Gujarat-380015
6.	Issue size, number of preference shares to be issued and nominal value of each share	1,25,00,000 (One Crores Twenty-Five Lakhs) Non-Cumulative Compulsorily Convertible Preference Shares ("NCCCPS") of face value of Rs. 10/- each at a premium of Rs. 22/- per share aggregating to Rs. 40,00,00,000 (Rupees Forty Crores only)
7.	Manner of issue of shares	Private Placement Issue in one or more tranche.
8.	Issue Price	At 32/- per share (including premium of Rs 22/-)
9.	Relevant date with reference to which the price has been arrived at	March 31, 2025

10.	The class(s) of persons to whom the allotment is proposed to be made	1) Narendra Maganlal Mehta (Public category Indian Resident) 2) Manoj Maganlal Mehta (Public category Indian Resident) 3) Sanjay Maganlal Mehta (Public category Indian Resident)
11.	Intention of Promoters, Directors or Key Managerial Personnel of the Company to subscribe to the offer	The NCCPS Shares shall be offered to the Proposed allottee. None of the other promoters/ sponsors and Directors or Key Managerial Personnel intend to subscribe to the offer on Preferential basis.
12.	The proposed time within which the allotment shall be completed	Within 60 days from the receipt of the share application money however, the Company shall complete the allotment of preference shares on or before the expiry of 12 months from the date of passing the special resolution by shareholders for preferential issue.
13.	The names of the proposed allottees and the percentage of post preferential offer capital that may be held by them.	Narendra Maganlal Mehta Post preferential offer his shareholding will be 62,50,000 NCCCPS being 3.18%. Manoj Maganlal Mehta, Post preferential offer his shareholding will 31,25,000 NCCCPS being 1.59%. Sanjay Maganlal Mehta Post preferential offer his shareholding will be 31,25,000 NCCCPS being 1.59%.
14.	The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price;	N.A.
15.	Terms of issue and rate of dividend on each share	The NCCCPS shall carry a non-cumulative preferential dividend at the rate of 0.01% per annum, payable subject to availability of distributable profits and declaration by the Board of Directors of the Company. The NCCCPS shall be non-participating and shall not be entitled to participate in any further dividend beyond the preferential dividend.
16.	The Terms of redemption, including the tenure of redemption, redemption of shares at premium and if preference shares are convertible, the terms of conversion	NCCCPS are not redeemable but are convertible into equity shares of the Company. The NCCCPS shall be converted into equity shares after completion of period 3 years from the date of allotment. Alternatively, NCCCPS may be converted into equity shares within 3 (three) years from the date of allotment with Company having a call-option to convert the NCCCPS any time after the end of 1 (one) year. The NCCCPS will be converted into Equity Shares as per the valuation determined by independent valuer based on the last audited balance sheet, prior to the date of conversion.
17.	The manner and modes of redemption	Not Applicable
18.	Conversion/maturity	NCCCPS shall be converted into equity shares after completion of period of 3 years from the date of allotment. Alternatively,

		NCCCPS may be converted into equity shares at any time within 3 (three) years from the date of allotment with Company having a call-option to convert the NCCCPS any-time after the end of 1 (one) year.
19.	Conversion Price/formula	The NCCCPS will be converted into Equity Shares as per the valuation determined by independent valuer based on the last audited balance sheet, prior to the date of conversion.
20.	Transferability	The NCCCPS shall be transferable, subject to provisions of Articles of Association and applicable regulations, including Foreign Direct Investment and FEMA regulations/guidelines, if required.
21.	Variation of terms	Any variation in the terms of the NCCCPS after allotment thereof will be valid, if done in accordance with applicable provisions of the Companies Act, 2013 or any statutory modification thereof and Rules framed thereunder.
22.	Rank	The equity shares to be allotted on conversion of the NCCCPS shall rank pari-passu in all respects with the then existing equity shares of the Company, and shall be subject to the Memorandum and Articles of Association of the Company.
23.	Expected dilution in equity share capital upon conversion of preference shares.	Upon full conversion of 1,25,00,000 NCCCPS, the equity share capital of the Company shall increase accordingly, resulting in dilution to the existing shareholders. The exact dilution shall depend on the conversion price determined as per valuation at the time of conversion.
24.	The Change in control if any, in the Company that would occur consequent to the preferential offer.	There shall be no change in management or control of the Company consequent to the preferential offer.
25.	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of Registered Valuer.	Consideration in Cash Only
26.	The pre-issue and post issue shareholding pattern of the company is as follows:	

Sr. No.	**Category**	**Pre- issue**		**Post- issue**	
		No. of Shares held	**% of Share**	**No. of Shares held**	**% of Share**
A	**Promoter**				
1.	Indian:				
	Individual	33,49,000	2.20%	33,49,000	1.68%
	Bodies corporate	7,50,45,453	49.16%	8,44,20,453	42.31%
	Sub-total	**7,83,94,453**	**51.35%**	**8,77,69,453**	**43.99%**
2.	Foreign promoters	2,60,57,220	17.07%	3,23,07,220	16.19%
	Sub-total (A)	**10,44,51,673**	**68.42%**	**12,00,76,673**	**60.18%**
B.	**Non-promoters' holding**				
	Individual (Indian Residents)	0	0.00%	1,25,00,000	6.26%

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Reconstruction Ltd.

	Institutional investors	0	0.00%	1,87,50,000	9.40%
	Non-institution:				
	Private corporate bodies	6,00,000	0.39%	6,00,000	0.30%
	Directors and relatives	0	0.00%	0	0.00%
	Others (NRIs)	4,76,04,883	31.18%	4,76,04,883	23.86%
	Sub-total (B)	**4,86,54,883**	**31.58%**	**7,94,54,883**	**39.82%**
	Grand Total	**15,26,56,556**	**100.00%**	**19,95,31,556**	**100.00%**

* Note: The above table does not factor in the conversion of Preference shares to Equity, as the conversion price is not determined.

Since proposed issuance of Non- Cumulative Compulsorily Convertible Preference Shares ("NCCCPS") is through Private Placement on preferential allotment basis, this is required to be approved by members as a Special Resolution in terms of afore-mentioned provisions Companies Act, 2013 and rules thereunder.

The Board of Directors recommends passing Special Resolution as set out at Item No. 3 of the Notice for approval by the members.

None of the Directors/ Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the resolutions set out in Item No. 3 of the Notice.

Registered Office:
104-106, Gala Argos,
Nr. Harikrupa Tower,
Gujarat College Road,
Ellisbridge, Ahmedabad - 380006

CIN: U74900GJ2015PLC084515
Phone no.: 079 45932702
E-mail: cs@rarearc.com
Website: www.rarearc.com

For Rare Asset Reconstruction Limited

Anil Kumar Bhandari
Managing Director
DIN: 02718111

Date: March 11, 2026
Place: Ahmedabad

Rare Asset Reconstruction Limited
Reg. Office: 104-106 Gala Argos, Nr. Harikrupa Tower,
Gujarat College Road, Ellisbridge, Ahmedabad - 380006
CIN: U74900GJ2015PLC084515

Proxy Form
(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s):	
Registered Address:	
E-mail ID:	
Folio no. / Client Id:	
DP Id:	

I/We, being the member(s) of ____________ equity shares of Rare Asset Reconstruction Ltd., hereby appoint;

1. Name: ________________________ E-mail: ___________________________ Address: ____

   Signature: or failing him

2. Name: ________________________ E-mail: ___________________________ Address: ____

   Signature: or failing him

3. Name: ________________________ E-mail: ___________________________ Address: ____

Signature:
as my/ our proxy to attend and vote (on poll) for me/ us and on my/ our behalf at Extra-Ordinary General Meeting No. 1/2025-26 of the Company to be held on Tuesday, March 17, 2026 at 03:00 P.M. (IST) at the registered office of the Company at 104-106 Gala Argos, Nr. Harikrupa Tower, Gujarat College Road, Ellisbridge, Ahmedabad – 380006 and any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution
1.	To Increase Authorized Share Capital and Alteration of Clause V of the Memorandum of Association of the Company.
2.	To Approve Issuance of Equity Shares through Private Placement on Preferential Allotment Basis
3.	To Approve Issuance of Non-Cumulative Compulsory Convertible Preference Shares ("NCCCPS") Through Private Placement on Preferential Allotment Basis

Signed this ______day of ________, 2026

Affix Revenue Stamp

____
Signature of the shareholder

(Please sign across the Stamp)

Instructions:
1. 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 hours before the commencement of the Meeting.
2. Please fill all the details in BLOCK LETTERS in English.

RARE ASSET
Reconstruction Ltd.

Rare Asset Reconstruction Limited
Reg. Office: 104-106 Gala Argos, Nr. Harikrupa Tower,
Gujarat College Road, Ellisbridge, Ahmedabad – 380006
CIN: U74900GJ2015PLC084515

Attendance Slip
Extra Ordinary General Meeting

I/ We hereby record my/ our presence at Extra-Ordinary General Meeting No. 1/2025-26 of the Company held at the Registered Office at 104-106, Gala Argos, Nr. Harikrupa Tower, Gujarat College Road, Ellisbridge, Ahmedabad - 380006 Tuesday, March 17, 2026 at 03:00 PM (IST).

______________________________	______________________________
Name of the Shareholder/ Proxy (In BLOCK LETTER)	Signature of the Shareholder/ Proxy

Folio No. _________________________
Client Id.# _________________________
DP ID ____________________________
No. of shares held ___________________

(Applicable for shareholders holding shares in dematerialized form)

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<u>Route map for venue of EOGM</u>