

## NOTICE

NOTICE is hereby given that the (SKL/2023-2024/EGM-I) EXTRA-ORDINARY GENERAL MEETING of the Members/ Shareholders of SHAREKHAN LIMITED will be held on Tuesday, June 20, 2023 at 2:00 p.m. (called at shorter notice) through video conferencing (VC) or other audio visual means (OAVM) to transact the following business:

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### SPECIAL BUSINESS:

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

#### **To alter existing Article 37 of the Articles of Association of the Company:**

**“RESOLVED THAT** pursuant to provisions of Section 5, Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendments thereto or re-enactment thereof) (the “Act”) read with the respective rules made thereunder, the consent of the Members / Shareholders of the Company be and is hereby accorded to alter Articles of Association (“AOA”) of the Company by amending the existing Article 37 with the following paragraph, as under:

*“Notwithstanding anything to the contrary contained in these Articles, so long as any money shall be owing by the Company to any financial institutions, corporations, or government or any government body or a collaborator, banks or such other financing entities or through Debenture Trustees or so long as any of the aforesaid banks, financial institutions or such other financing entities hold any shares/debentures in the Company as a result of subscription or so long as any guarantee given by any of the aforesaid entities in respect of any financial obligation or commitment of the Company remains outstanding in terms of payment of interest or repayment of principal amount, then in that event any of the said financial institutions or Debenture Trustees or such other financing entities shall, subject to an agreement in that behalf between it and the Company, have a right but not an obligation, to appoint one or more persons as Director(s) on the Board of Director as their nominee on the Board of Company in accordance with the applicable laws. The aforesaid financial institutions, corporations, or government or any government body or a collaborator, banks or such other financing entities or through Debenture Trustees may at any time and from time to time remove the Nominee Director appointed by it and may in the event of such removal and also in case of the Nominee Director ceasing to hold office for any reason whatsoever including resignation or death, appoint other or others to fill up the vacancy. Such appointment or removal shall be made in writing by the relevant institution and shall be delivered to the Company and the Company shall have no power to remove the Nominee Director from office.”*

**“RESOLVED FURTHER THAT** shareholders of the Company be and is hereby adopted Articles of Association by considering the above-mentioned alteration.”

**“RESOLVED FURTHER THAT** any One of the Director / Chief Executive Officer / Chief Operating Officer / Chief Financial Officer / Company Secretary of the Company, be and are hereby severally authorized to sign and file all the requisite e-forms including filing of form MGT-14 along with AOA and such other documents as may be required, with the Registrar of Companies and to do all such acts, deeds and things as may be ancillary or incidental thereto for giving effect to this resolution.”

**“RESOLVED FURTHER THAT** a certified copy of the above resolution(s) be issued, under the signature of any One of the Director / Chief Executive Officer / Chief Operating Officer / Chief Financial Officer / Company Secretary of the Company to such other persons/parties and/or statutory authorities as may be required from time to time.”

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

#### **To approve sale of investment held in Sharekhan BNP Paribas Financial Services Limited:**

**“RESOLVED THAT**, pursuant to the provisions of Section 179, 180(1)(a) and of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, and subject to other applicable provisions, if any, of the Companies Act, 2013, (*including any statutory modification or re-enactment thereof for the time being in force*), and in accordance with the Memorandum of Association and Articles of Association of the Company, and subject to the permissions, approval of Exchanges/ Depositories/ any authorities or such other approvals, consents and permissions or intimations if any, as may be required and based on the recommendation of the Audit Committee, the consent of the Members/ Shareholders be and is hereby accorded to the Board of Directors of the Company (*hereinafter referred as the “Board” which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution*), to sell/ transfer/dispose of whole of its investment in Sharekhan BNP Paribas Financial Services Limited comprising of 41,86,00,000 (Forty-One Crores Eighty-Six Lakhs) equity shares of Rs. 10 (Rupees Ten) each through off market trade to Human Value Developers Private Limited (“the Acquirer”) for such consideration as may be mutually decided and on such terms and conditions, as may be deemed fit by the Board.”

**“RESOLVED FURTHER THAT** any One of the Director / Chief Executive Officer / Chief Operating Officer / Chief Financial Officer / Company Secretary of the Company be and is hereby authorized and empowered to finalize and execute necessary documents including but not limited to definitive Agreements, deeds of and other ancillary documents and authorized to digitally sign and file e-forms with the Registrar of Companies (ROC), Maharashtra, to file forms with RBI and to make applications to regulatory authorities etc. with effect from such date and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit.”

**“RESOLVED FURTHER THAT** a certified copy of the above resolution(s) be issued, under the signature of any One of the Director / Chief Executive Officer / Chief Operating Officer / Chief Financial Officer / Company Secretary of the Company to such other persons / parties and/or statutory authorities as may be required from time to time.”

3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution**:

**To consider and approve sale of investment held in Sharekhan BNP Paribas Financial Services Limited and approve the resultant related Party Transaction:**

**“RESOLVED THAT** pursuant to the provisions of Sections 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with the Companies (Meetings of Board and its Powers) Rules, 2014 and subject to other applicable provisions, if any, of the Companies Act, 2013, (*including any statutory modification or re-enactment thereof for the time being in force*), the provisions of the Memorandum of Association and Articles of Association of the Company and subject to the approval of stock exchanges / other regulatory authorities and such other approvals / permissions, if any, as may be required and based on the recommendation of the Audit Committee, the consent of the Shareholders of the Company be and is hereby accorded to enter into contract(s) / arrangement(s) / transaction(s) with Human Value Developers Private Limited (“the Acquirer”), a related party for selling / transferring / disposing off whole of the Company’s investment in Sharekhan BNP Paribas Financial Services Limited, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value not exceeding Rs. 600 Crores for the financial year 2023-2024.”

**“RESOLVED FURTHER THAT** any One of the Director / Chief Executive Officer / Chief Operating Officer / Chief Financial Officer / Company Secretary of the Company, be and is hereby authorized and empowered to finalize and execute necessary documents including but not limited to definitive Agreements, deeds of and other ancillary documents and to make applications to regulatory authorities etc. with effect from such date and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may

deem necessary and to digitally sign and file e-forms with the Registrar of Companies (ROC), Maharashtra, to file forms with RBI and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit.”

“**RESOLVED FURTHER THAT** a certified copy of the above resolution(s) be issued, under the signature of any One of the Director / Chief Executive Officer / Chief Operating Officer / Chief Financial Officer / Company Secretary of the Company to such other persons/parties and/or statutory authorities as may be required from time to time.”

**By Order of the Board of Directors of  
SHAREKHAN LIMITED**

*Sd/-*  
**Jaideep Arora**  
*Director*  
**DIN – 00056252**

**Date: June 12, 2023**

**Place: Mumbai**

**Registered Office:**

The Ruby, 18<sup>th</sup> Floor, 29 Senapati Bapat Marg,  
Dadar (West) Mumbai - 400 028, Maharashtra, India

CIN: U80904MH2000PTC126954.

Tel No.: - 022 - 6750 2000

Fax No.: - 022 - 2432 7343

Email Id.: - [companysecretarial@sharekhan.com](mailto:companysecretarial@sharekhan.com)

Website: - <https://sharekhan.com>

**NOTES:**

1. Ministry of Corporate Affairs ('MCA') permitted conducting Extra Ordinary General Meeting ("EGM") through VC/OAVM and dispensed the personal presence of the Shareholders at the meeting. Accordingly, the MCA vide its General Circular No. 11/2022 dated 28.12.2022, General Circular No. 14/2020 dated 08<sup>th</sup> April, 2020, and General Circular No. 03/2022 dated 05.05.2022 read with General Circular No. 17/2020 dated 13<sup>th</sup> April, 2020 (collectively referred to as 'MCA Circulars') has prescribed the procedures and manner of conducting the EGM through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") (facility without the physical presence of the Shareholders at a common venue). In compliance with the provisions of the Companies Act, 2013 read with MCA Circulars, the EGM of the Shareholders will be held through VC / OAVM. Hence, Shareholders can attend and participate in the EGM through VC / OAVM only.
2. Pursuant to the Circular No. 14/2020 dated 08<sup>th</sup> April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the Shareholders is not available for this EGM being held through VC / OAVM and therefore, the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
3. 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 scanned copy (PDF/JPG Format) of the Board Resolution / Power of Attorney authorizing their representatives to attend and vote on their behalf at the meeting.
4. The attendance of the Shareholders attending the EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Members attending the Extra-Ordinary General Meeting (EGM) of the Company are requested to confirm their attendance along with the location during the meeting through video conferencing.

6. Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, concerning the special business in the Notice of this Extra-Ordinary General Meeting is annexed hereto and forms part of this report.
7. The notice of EGM along with the Explanatory Statement is being sent only through electronic mode to those Members whose email addresses are registered with the Company. Members may note that the EGM along with the Explanatory Statement will also be available on the Company's website [www.sharekhan.com](http://www.sharekhan.com).
8. Queries proposed to be raised at the Extra-Ordinary General Meeting may be sent to the Company through an email at [companysecretarial@sharekhan.com](mailto:companysecretarial@sharekhan.com) or at its registered office at least seven days prior to the date of Extra-Ordinary General Meeting to enable the management to compile the relevant information to reply the same in the meeting.
9. Pursuant to General Circular No. 11/2022 dated 28.12.2022, the members can attend the meeting through video conferencing and the link for video conferencing of the said meeting will be circulated to the members separately.

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

### **Item 1:**

#### **To alter existing Article 37 of the Articles of Association of the Company :**

The Shareholders(s) may note that, to meet the working capital requirements of the Company and as per the request received from the ALMT team, the Board of Directors of the Company, at its meeting dated February 10, 2023 had approved the subject relating to raising of funds by issuance of Non-Convertible Debentures (NCD) on private placement basis for an amount not exceeding Rs. 500 crores/- (Rupees Five Hundred Crores only) in One or more tranches and subsequently, the said subject approved by the Shareholders vide passing the Special Resolution at the Extra-Ordinary General Meeting dated February 10, 2023.

Further, on 2<sup>nd</sup> February 2023 the Securities and Exchange Board of India (“SEBI”), bearing reference number SEBI/LAD-NRO/GN/2023/119 had notified Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2023. As per the said amendment, the Company shall ensure that its Articles of Association includes provisions with respect to the requirement for the Board of Directors to appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub-regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 as a director on its Board of Directors.

As per Section 14 of the Companies Act 2013, approval of shareholders by way of Special Resolution is required for making amendments to the Articles of Association of the Company. Hence, approval of shareholders is sought through passing the special resolution to make the Articles of Association (“AOA”) of the Company to comply with the above-mentioned requirements and to insert new clause pertaining to the appointment of Nominee Director by the Debenture trustees.

None of the Directors and KMPs, Promoters, of the Company and their relatives are concerned or interested or otherwise in the resolutions set out in **Item No. 1**.

### **Item 2:**

#### **To approve sale of investment held in Sharekhan BNP Paribas Financial Services Limited:**

The Shareholders(s) may note that, the Board of Directors of the Company in their meeting held on April 20, 2023, approved a re-structuring plan relating to sell of the Company’s whole of the shareholding in Sharekhan BNP Paribas Financial Services Limited, to comply with rule 8 of Securities Contracts (Regulation) Rules, 1957 read with the clarification issued by National Stock Exchange of India Limited, i.e. Circular No. NSE/COMP/50957 dated January 7, 2022 and the final order of joint inspection by National Stock Exchange of India Limited (hereinafter referred as “NSE) along with Securities and Exchange Board of India (SEBI) issued by NSE Member Core Settlement Guarantee Fund Committee (MCSGFC) on January 25, 2023, concerning that, the Company being the broking Company, engaged as principal in a business other than securities involve personal financial liability by virtue of its investment of Rs. 418.60 crores as of March 31, 2022 in NBFC entity i.e. Sharekhan BNP Paribas Financial Services Limited, One of the wholly owned subsidiary where by Company holds 100% share capital and directed to recover the investment within 3 month from the date of aforesaid order.

Further, the Board, at their meeting held on May 26, 2023, approved a subject of sale of investment held in Sharekhan BNP Paribas Financial Services Limited, which is further subject to the approval of shareholders, to sell the whole of its investment in Sharekhan BNP Paribas Financial Services Limited to Human Value Developers Private Limited (Transferee) pursuant to the provisions of Section 179, 180(1)(a) and of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, and subject to other applicable provisions, if any, of the Companies Act, 2013.

As per aforesaid Section(s) of the Companies Act 2013, approval of shareholders by way of passing the

special resolution is required to sell, lease or otherwise dispose of the whole or substantially the 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 of such undertakings. Hence, approval of shareholders is sought through special resolution to sell investment of the Company held in Sharekhan BNP Paribas Financial Services Limited.

Except, Mr. Jaideep Arora, CEO & Whole Time Director, Mr. Stefan Groening, COO & Whole Time Director and Ms. Franciska Decuypere, Director being the common director(s) in Transferee Company and Human Value Developers Private Limited being the Transferee Company, none of the other Director(s) and KMPs, Promoters of the Company and their relatives are concerned or interested or otherwise in the resolutions set out in **Item No. 2**.

### **Item No 3:**

The Shareholders(s) may note that, pursuant to the immediately preceding agenda matter, to comply with the directions issued by Member Core Settlement Guarantee Fund Committee (MCSGFC) of National Stock Exchange of India Limited (hereinafter referred as “NSE), it is proposed to sell / transfer / dispose off the whole of the Company’s investment in Sharekhan BNP Paribas Financial Services Limited comprising of 41,86,00,000 (Forty-One Crores Eighty-Six Lakhs) equity shares of Rs. 10/- each to Human Value Developers Private Limited (“the Acquirer”), for such consideration and on such terms and conditions as may be mutually decided by both parties.

Since the acquirer is a related party of the Company as per sub-clause (76) of Section 2 of Companies Act 2013 as Mr. Jaideep Arora, CEO & Whole Time Director, Mr. Stefan Groening, COO & Whole Time Director and Ms. Franciska Decuypere, Director being the common director(s) in acquirer Company, the Audit Committee of the Company has approved the said transaction and subsequently, the transaction approved by the Board of the Directors of the Company at their respective meetings held on May 26, 2023 and further recommended for the approval of shareholders of the Company.

Further, the amount of the proposed transaction with the related party may exceed Ten percent of the net worth of the Company and therefore, approval of shareholders is sought vide Ordinary Resolution in terms of the first proviso to Section 188 (1) of the Companies Act, 2013 read with rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, and subject to other applicable provisions, if any, of the Companies Act, 2013, *(including any statutory modification or re-enactment thereof for the time being in force)*.

Pursuant to Sub-rule (3) of Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the proposed transactions with the acquirer are as follows:

<b>Sr No.</b>	<b>Particulars</b>	<b>Remarks</b>
1	The name of the related party and nature of relationship	Human Value Developers Private Limited, acquirer entity is having the more than 20% shareholding in the Company and become the Associate Company & further both Companies / parties having common Director(s) on their Board.
2	Name of the director or key managerial personnel who is related, if any	Mr. Jaideep Arora (DIN: 00056252), Ms. Franciska Decuypere (DIN: 06869435) and Mr. Stefan Groening (DIN: 07657587) by the reason of holding common Directorships in the both the Companies.
3	Nature, material terms, monetary value and particulars of the contract or arrangements	Material terms are to be finalized mutually by both the parties. Value of transaction not exceeding Rs. 600 Crores.
4	Any other information relevant or important for the members to take a decision on the proposed resolution.	To comply with rule 8 of Securities Contracts (Regulation) Rules, 1957 read with the clarification issued by National Stock Exchange of India Limited,

		i.e. Circular No. NSE/COMP/50957 dated January 7, 2022 and with the directions of the final order of joint inspection by National Stock Exchange of India Limited (hereinafter referred as "NSE) along with Securities and Exchange Board of India (SEBI) issued by NSE Member Core Settlement Guarantee Fund Committee (MCSGFC) on January 25, 2023, concerning that, the Company being the broking Company, engaged as principal in a business other than securities involve personal financial liability in NBFC entity i.e. Sharekhan BNP Paribas Financial Services Limited, One of the wholly owned subsidiary where by Company holds 100% share capital and directed to recover the investment.
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Except, Mr. Jaideep Arora, CEO & Whole Time Director, Mr. Stefan Groening, COO & Whole Time Director and Ms. Franciska Decuypere, Director being the common director(s) in Transferee Company and Human Value Developers Private Limited being the Transferee Company, none of the other Director(s) and KMPs, Promoters of the Company and their relatives are concerned or interested or otherwise in the resolutions set out in **Item No. 3**.

**By Order of the Board of Directors of  
SHAREKHAN LIMITED**

*Sd/-*  
**Jaideep Arora**  
*Director*  
**DIN – 00056252**

**Date: June 12, 2023**

**Place: Mumbai**

**Registered Office:**

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Dadar (West) Mumbai - 400 028, Maharashtra, India  
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