

JCT LIMITED

Regd. Office: Village Chohal, Dist. Hoshiarpur (Punjab)
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ADDENDUM TO THE NOTICE OF EXTRA-ORDINARY GENERAL MEETING

JCT Limited ("the Company") had issued Notice dated 31.12.2018 for convening of an Extra Ordinary General Meeting ("EGM") of the Members of the Company scheduled to be held on Thursday, the 14th day of February 2019 at 11.30 A.M. at the Registered Office of the Company at Village Chohal, District Hoshiarpur 146024 (Punjab). The EGM Notice has already been emailed/despached to all the Members of the Company in due compliance with the provisions of the Companies Act 2013 read with the Rules made there under:

Subsequent to the issuance of the EGM Notice, the Company has received a communication from BSE Limited that a **fresh Special Resolution** under Section 42, 62 and all other applicable provisions of the Companies Act 2013 and the Rules framed thereunder, from time to time, passed by the Members at their 69th Annual General Meeting held on 14.9.2018 be passed afresh as per Regulation 170(1), and 170(2) of the ICDR 2018 for allotting the shares within 15 days of passing the said Special Resolution.

The Company therefore informs the shareholders that the following item under Special Business shall be included in the aforesaid EGM Notice a new Item No.2.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Sections 42, 62 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Memorandum of Association and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations"), Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeover) Regulations, 2011 as amended and all other applicable laws including the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, various rules, regulations, press notes, notifications, any other guidelines and clarifications issued by the Government of India, all applicable regulations, circulars, notifications issued by the Securities and Exchange Board of India, the Reserve Bank of India, stock exchanges on which the equity shares of the Company are listed and also by any other statutory/regulatory authorities and subject to all such other approvals, permissions, consents and/or sanctions of any authorities, as may be necessary, and subject to such conditions and modifications, as may be prescribed by any one of them while granting any such approvals, consents, permissions and/or sanctions which may be agreed to by the Board of Directors (the "Board") of the Company, consent of the shareholders of the Company be and is hereby given to the Board which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution, to offer, issue and allot, on preferential basis, aggregating 24,03,00,606 (Twenty Four Crores Three lacs and Six Hundred and Six) equity shares of the Company of face value of Rs. 2.50 each ("Equity Shares"), at Rs. 2.65 per shares (Rupees Two and Sixty Five Paise) ("Preferential Issue") to the following Foreign Currency Convertible Bond (FCCB) holders of the Company as set out in the explanatory statement pursuant to restructuring/conversion of 1249 FCCB (Foreign Currency Convertible Bonds) of face value of USD 10,000 each."

"RESOLVED FURTHER THAT the Preferential Issue of the Equity Shares to the FCCBs holders upon restructuring/conversion of 1249 FCCB of face value of USD 10,000 each shall be, inter alia, on the following terms and conditions:

- a) The 'Relevant Date' under SEBI ICDR Regulations for the purpose of determination of issue price of the Equity Shares shall be 14th August, 2018 i.e. the day 30 days prior to the date of this Meeting ("Relevant Date");
- b) Equity Shares shall be allotted at a price of Rs. 2.65 per shares (Rupees Two and Sixty Five Paise) per equity share, calculated as per Regulation 76 of the SEBI ICDR Regulations;
- c) The Equity Shares shall be fully paid-up and shall rank pari passu in all respects with the existing Equity Shares of the Company in accordance with the Memorandum of Association and the Articles of Association of the Company;

- d) The Preferential Issue of the Equity Shares shall only be made in dematerialized form and shall, subject to receipt of necessary approvals, be listed and traded on the BSE Limited;
- e) In pursuance of the Preferential Issue, as aforesaid, the shares to be allotted to the Lenders shall remain locked-in for such period as specified under the SEBI ICDR Regulations;
- f) The Equity Shares to be issued shall be allotted within a period of 15 (fifteen) days from the date of this resolution, provided that where the allotment is pending on account of pendency of any regulatory, Stock Exchange or Government of India (GOI) approval(s), the allotment shall be completed within 15 (Fifteen) days of receipt of such approval(s)."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized, in its entire discretion, to do all such acts, matters, deeds and things and to take all such steps and to do all such things and give all such directions, as the Board may consider necessary, expedient or desirable, including without limitation, effecting any modification to the foregoing (including any modifications to the terms of the issue), to allot such number of equity shares in one or more tranches to each lender pursuant to this resolution, as may be thought fit or decided by the Board, to prescribe the forms of application, allotment, to enter into any agreements or other instruments, and to take such actions or give such directions as may be necessary or desirable and to file applications and obtain any approvals, permissions, sanctions which may be necessary or desirable and to settle any questions or difficulties that may arise and appoint consultants, valuers, legal advisors, advisors and such other agencies as may be required for the Preferential Issue of the Equity Shares without being required to seek any further clarification, consent or approval of the members and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution"

"RESOLVED FURTHER THAT Issue/Allotment of 24,03,00,606 (Twenty Four Crores Three lacs and Six Hundred and Six) equity shares of the Company of face value of Rs. 2.50 each ("Equity Shares"), at Rs. 2.65 per shares (Rupees Two and Sixty Five Paise) ("Preferential Issue") to the Foreign Currency Convertible Bond (FCCB) holders of the Company as set out in the Explanatory Statement pursuant to restructuring/conversion of 1249 FCCB (Foreign Currency Convertible Bonds) of face value of USD 10,000 each allotted on 28.12.2018 are in accordance with section 62(3) of the companies Act, 2013 be and are hereby confirmed and ratified pending Listing with the Stock Exchange, Mumbai."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolutions to any Director(s) or to any Committee of the Board or any other Officer(s) of the Company to give effect to the aforesaid resolution."

"RESOLVED FURTHER THAT all actions taken by the Company which inter-alia filing of Return of Allotment (PAS-3) of 24,03,00,606 (Twenty Four Crores Three lacs and Six Hundred and Six) equity shares of the Company of face value of Rs. 2.50 each with the Ministry of Corporate Affairs, Govt. of India , FC-GPR/ single master form with the Reserve Bank of India, any return/data filed with the stock exchanges & Depositories in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolutions to any Director(s) or to any Committee of the Board or any other Officer(s) of the Company to give effect to the aforesaid resolution."

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.2

The Company raised US\$ 30 million through issue of unsecured FCCBs on 08.04.2006 out of which FCCBs of US\$ 17.51 million were settled / converted into Equity Shares. The balance outstanding of US\$ 12.49 million alongwith 20.075% redemption premium became due for redemption on 08.04.2011. As the Company could not pay on due date, the trustees of FCCB holders filed a winding up petition in Punjab & Haryana High Court at Chandigarh on 29.09.2012. The winding up petition filed by the trustees, The Bank of New York Mellon, of Foreign Currency Convertible Bond Holders (FCCBs), was disposed off by the Hon'ble High Court on 27.01.2015, against which appeal was filed by the trustees and the Company with Sr. Bench of High Court where in consent term were allowed by the Hon'ble High Court on 05.06.2015, pursuant to which the appeal is adjourned sine-a-die. The Company as per consent terms with FCCB holders had to pay US\$ 20.74 million (principal redemption premium, interest yield @ 6% from April 2011 to June 2015 and 6% yield on reducing balance) in 10 installments commencing from 05.10.2015 to 05.12.2017. During the period the Company could make payment of US\$ 5.38 million only.

The Company and the FCCB holders informed the Hon'ble High Court of Punjab & Haryana, Chandigarh on the hearing on 08.05.2018 about on-going settlement and the court fixed the next date on 12.09.2018. A settlement agreement executed between FCCB holders and company pursuant to which FCCB holders agreed on following terms:

Amount worked out on 03.05.2018	Rs 110.76 Crores
Upfront payment	Rs 40.00 Crores
Interest Waiver	Rs 7.08 Crores
Issuance of Fresh Equity Shares	Rs 63.68 Crores

(i). Object of the Preferential Issue

The purpose of the preferential allotment of the Issue Shares pursuant to settlement of amount due on account of the FCCBs. It will reduce the long-pending litigation and also reduce indebtedness of the Company.

(ii). Proposal of the promoters/directors/key management personnel of the Company to subscribe to the offer

The current promoters, directors, and/or key management personnel of the Company do not propose to subscribe to the proposed preferential issue.

(iii). Shareholding pattern of the Company before and after the preferential issue/shares allotted on 28.12.2018

S. No.	Category	Pre Issue/Allotment		Post Issue/Allotment(on fully diluted basis)	
		No. of Shares held	% of Share	No. of Shares held	% of Share
A	Promoters Holding				
1	Indian				
	Individual	636429	0.11	636429	0.07
	Bodies Corporate	235972778	39.45	235972778	26.97
	Sub Total	236609207	39.56	236609207	27.04
2	Foreign Promoters	-	-	-	-
	Sub Total (A)	236609207	39.56	236609207	27.04
B	Public Shareholders				
1	Institutional Investors	83040745	13.88	83040745	9.49
	QVT Mauritius West Fund	-	-	167960312	19.20
	Quintessence Mauritius West Fund	-	-	5002254	0.58
	Deutsche Bank AG London	-	-	67338040	7.70
2	Central Govt/State Govt/President of India	5564	0.00	5564	0.00
3	Non Institutions:				
	Individuals	177989414	29.76	177989414	20.34
	Bodies Corporate	20110738	3.36	20110738	2.30
	Clearing Members	4318765	0.72	4318765	0.49
	NRI	1414775	0.24	1414775	0.16
	Trust	7699	0.00	7699	0.00
	Overseas Corporate Bodies	74509875	12.46	74509875	8.52
	NBFC	119200	0.02	119200	0.01
	Phoenix ARC Pvt Ltd	-	-	12213333	1.40*
	Phoenix ARC Pvt Ltd as Trustees of Phoenix Trust-FY19-5 Scheme G			24258734	2.77*
	Sub Total (B)	361516775	60.44	638289448	72.96
	Grand Total	598125982	100.00	874898655	100.00

* The above shares to be allotted to the persons as per the EGM to be held on 14.02.2019

(iv). Proposed time within which the Preferential Allotment shall be completed:

Under Regulation 170(1) of the SEBI ICDR Regulations, Preferential Allotment of the Equity Shares is required to be completed within a period of 15 (fifteen) days from the date of passing of the special resolution of the shareholders of the Company or within the statutory time limits prescribed by the regulatory authorities subject to all the necessary approvals being in place. If any approval or permissions by any regulatory or statutory authority or the Central Government for allotment is pending, the period of 15 (fifteen) days shall commence from the date of such approval or permission being obtained. The 'in

principle' approval the Stock Exchange, Mumbai, was communicated to the Company on 3.10.2018 and the allotment was made on 28.12.2018 .

(v). Identity of the allottees, the percentage of post preferential issue capital that maybe held by them, and change in control, if any, in the Company consequent to the preferential issue

Identity of Proposed allottees	If allottee is not a natural person, identity of the natural person who are the ultimate beneficial owner of the shares proposed to be issued, if applicable	Category (Promoter / Non-Promoter)	Number of FCCBs to be converted (Face Value of USD 10,000 each)	No of equity shares to be allotted	Percentage of post preferential issue (on fully diluted basis)
QVT Mauritius West Fund	<i>There is no ultimate beneficial owner (who is a natural person) who holds more than 25% beneficial interest (directly or indirectly) in the proposed allottee. However the senior managing official of the proposed allottee is Mr. Daniel Collins, who is a director of the proposed allottee.</i>	Non-Promoter	873	167960312	19.20
Quintessence Mauritius West Fund	<i>There is no ultimate beneficial owner (who is a natural person) who holds more than 25% beneficial interest (directly or indirectly) in the proposed allottee. However the senior managing official of the proposed allottee is Mr. Daniel Collins, who is a director of the proposed allottee.</i>	Non-Promoter	26	5002254	0.58
Deutsche Bank AG London	Foreign Bank	Non Promoter	350	67338040	7.70

(vi). 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:

During the year, the Company has not made any allotment on preferential basis to any person.

(vii). Requirements as to re-computation of price:

Since the Equity Shares of the Company have been listed on the stock exchanges for a period of more than twenty six weeks prior to the Relevant Date, the Company is neither required to re-compute the price of the equity shares nor to submit undertakings specified under Regulation 163(1)(g) and (h) of the ICDR Regulations.

(viii). Relevant Date and Issue Price:

In terms of Chapter VII of SEBI ICDR Regulations, since the Equity Shares of the Company have been listed on the recognized stock exchanges for a period of more than twenty six weeks as on the Relevant Date, the Equity Shares proposed to be issued to the Lenders will be issued and allotted at a price not less than the higher of the following in terms of Regulation 164 of the SEBI ICDR Regulations:

- i. The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty six weeks preceding the relevant date (as defined below); or
- ii. The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognized stock exchange during the two weeks preceding the relevant date (as defined below).
- iii. The "Relevant Date" for the preferential issue, as per the ICDR Regulations, for the determination of applicable price for the Issue of the Allotment Shares shall be 14th August, 2018 which is the date that is 30 (thirty) days prior to the date of this Meeting to consider the proposed Preferential Issue. Accordingly, the issue price of ` Rs. 2.65/- (Rupees Two and Sixty Five Paise only) per Equity Share at which the Equity Shares are proposed to be issued and allotted to the Lenders is higher than the prices determined in accordance with Regulation 164 of the ICDR Regulations.

(ix). Lock-In Period:

The Equity Shares issued pursuant to this Preferential Allotment to the Lenders shall be locked-in as per the applicable provisions of the SEBI ICDR Regulations, as amended from time to time. Further, pursuant to Regulation 167(6) of SEBI ICDR Regulations, there is no requirement of lock-in on pre-preferential allotment shareholding.

The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer – Not Applicable

The class or classes of persons to whom the allotment is proposed to be made – Non Promoter and Non Promoter Group.

(x). Undertakings

- a. An undertaking that the issuer shall re-compute the price of the specified securities in terms of the provisions of these regulations where it is required to do so – As the equity shares of the Company are listed with the BSE Limited for more than six (6) months, the same is not applicable to the Company.
- b. An undertaking that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked in till the time such amount is paid by the allottees – As the equity shares of the Company are listed with the BSE Limited for more than six (6) months, the same is not applicable to the Company.
- c. It is hereby confirmed that neither the Company nor any of its Promoters or Directors are willful defaulter.

(xi). Auditor's Certificate:

The Statutory Auditors of the Company, M/s. Navdeep Singh & Company, Chartered Accountants have issued a certificate confirming that the issue of the Equity Shares is being made in accordance with the requirements of the SEBI ICDR Regulations. A copy of the certificate will also be open for inspection at the Registered Office of the Company from 11.00 a.m. to 2.00 p.m. on any working day upto the date of the meeting. As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the relevant stock exchanges on which the Equity Shares are listed under the provisions of the Listing Regulations.

The above information/disclosures mentioned in the resolution and explanatory statement were already intimated/confirmed to the members of the Company through Notice of the 69th Annual General Meeting held on 14.9.2018 and there is no material change except the seeking afresh approval of the members to comply with the ICDR Regulations 2018 and obtaining approval of Listing of 24,03,00,606 Equity Shares allotted on 28.12.2018 to the FCCB holders .

No director, key managerial personnel or their relatives are directly or indirectly concerned or interested in the resolution of the Notice. The Board recommends the resolutions set forth for the approval of the members.

By Order of the Board
JCT Limited
SANDEEP SACHDEVA
COMPANY SECRETARY

Dated: 23rd January 2019
Place: New Delhi