

RESOURCE MOBILISATION POLICY

JMJ FINANCE LIMITED

(As approved by 11.06.2020)

(Revised in the board meeting held on 08.02.2022)

Purpose

To define, regulate and control the resource mobilisation activities of the Company in compliance with applicable RBI norms and laws.

Definition

“Resources” under this policy shall mean the instruments issued or offered by the company to proposed investors to mobilise funds into the Company, irrespective of the name by which they are known under any applicable laws and include-

- a. Subordinated Bonds
- b. Non-Convertible Debentures
- c. Any other instrument/security/document issued by or to be issued by the Company or bank/ F.I borrowings availed by the Company, subject to provisions of Companies Act 2013 or other applicable laws and RBI norms.

excluding share capital under Companies Act 2013.

“Resource Mobilisation” shall mean the procedures, activities or steps undertaken by the Company, subject to applicable laws, to mobilise funds/collect funds or manage funds and to manage financial position of the Company, from time to time.

Terms & Conditions for issue of securities/instruments

The terms and conditions for offer and issue of securities/instruments under the “Resource Mobilisation Policy” shall be formulated by the Board/committee, subject to provisions of the Companies Act 2013, RBI Directions/regulations and other applicable laws. Subordinated Bonds shall be in the nature of subordinated debt covered under RBI Directions and applicable laws. The Company shall issue certificates as per applicable provisions of aforesaid laws.

The Board of directors/Committee shall have power to modify terms and conditions, wherever required, subject to the provisions of applicable laws.

Private Placement of Non-Convertible Debentures.

Based on the requirement, the company may issue Non-Convertible Debentures under Private Placement mode to such number of person as may be identified by the board of directors from time to time subject to the applicable laws and regulations. The frequency and the amount of issue shall be as determined by the board subject applicable provisions of the statutory and regulatory compliances.

Such issue of NCDs shall be secured by creating charge on the assets of the company, and a charge shall be registered in accordance with the provisions of the Companies Act, 2013.

Reporting & approvals

The Bond department/Resource mobilisation department and accounts department shall keep up-to-date records of resources, funds collected and redemption/repayment. The managers of the

concerned department shall submit reports to Board and Key Managerial Personnel of the Company as and when called for. Where the funds are collected by issue of any security covered under the Companies Act 2013, then the department shall provide up-to-date reports to the Company Secretary/Chief Financial Officer as and when called for the same, to ensure compliance with laws and complete accounting/tax compliances relating to the same. The department shall prepare plans for a quarter/half year/year with the help of account department and senior management and place the same before the Board for its approval.

Contests & incentives

The Company may pay incentives or commission to officials or agencies involved in resource mobilisation activities to boost flow of funds, subject to HR policy and other applicable company policies. The decision of the senior management in declaration of incentives shall be final and binding on concerned persons.

Issue of offer letter

The offer letter issued under private placement shall be issued only to proposed investors as private circulation document. The format for securities issued in private placement/preferential allotment basis shall be according to provisions of applicable laws.

KYC, AML and Tax laws

The Company and its staff shall ensure that KYC and Anti-money Laundering guidelines set out in KYC policy and applicable RBI norms are complied without fail. Also applicable taxes shall apply depending on the type of instrument and other factors.

Filings to Statutory Authorities

The Company shall file necessary forms/returns with ROC/RBI/other statutory bodies and regulators, as the case may be from time to time, as per applicable laws.

Signature of authorised signatories

The certificates issued shall bear the signature of authorised signatories along with common seal, subject to MOA & AOA of the Company and provisions of applicable laws.

Refund of application money

Where due to any reason the company is unable to allot/issue securities/instruments to any applicant, the money shall be returned to concerned applicant within reasonable time, as provided under applicable laws. The company may retain the money, if the same is permitted under applicable laws and in such case the Company shall comply with provisions of that particular law.

Prohibition

The Company shall not collect any "deposits" (within meaning of RBI Act 1934 and RBI directions) from public as the Company is a non-deposit accepting NBFC.

For JMJ Finance Limited