



CIN - L85110KA1987PLC008699

Regd. Office : No.29/1, I Floor, Sir M.N.Krishna Rao Road, Basavanagudi, Bengaluru-560 004, Tel : 26564259, 26565736  
Fax :26565746, E-mail : sathyaprakash@canfinhomes.com, www.canfinhomes.com

## Notice of the 28th Annual General Meeting

NOTICE is hereby given that the TWENTYEIGHTH ANNUAL GENERAL MEETING OF THE MEMBERS OF CAN FIN HOMES LTD., will be held at 11 A.M. on Wednesday the July 08, 2015 at the J.S.S. Shivarathreeswara Centre Auditorium, 1<sup>st</sup> Main, 8<sup>th</sup> Block, Jayanagar, Bengaluru-560 082 to transact the following business:

### ORDINARY BUSINESS

#### Agenda No.1- Adoption of accounts

To receive, consider and adopt the audited financial statements, including Balance Sheet as at March 31, 2015 and statement of the Profit and Loss account for the year ended that date together with the Reports of the Directors and Auditors.

#### Agenda No.2 - Declaration of dividend

To declare a dividend for the financial year ended March 31, 2015.

#### Agenda No.3 - Re-appointment of Shri S.A.Kadur

To appoint a Director in the place of Shri S.A.Kadur who retires by rotation and being eligible, offers himself for re-appointment.

#### Agenda No.4 - Appointment of Auditors

To appoint statutory auditors and to authorise the Board of Directors to appoint branch auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors of the Company and consider and if thought fit, to pass, with or without modification(s), the following Resolution (s):

“RESOLVED that pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, M/s.K.P.Rao & Co., Chartered Accountants are hereby re-appointed as statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, at such remuneration as may be fixed by the Board of Directors, applicable taxes thereon and reimbursement of out-of-pocket expenses incurred by them for the purpose of conducting audit of the accounts of the Company.

RESOLVED FURTHER that pursuant to the provisions of Section 143(8) and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company is hereby authorised to appoint any person(s) qualified for appointment as auditor(s) of the Company under Section 141 and all other applicable provisions, if any of the Companies Act, 2013 as Branch Auditors for audit of any of the Branch offices of the Company, present and future, from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such terms and conditions, including remuneration and reimbursement of out-of-pocket expenses incurred by them for the purpose of conducting audit of the accounts any branch office(s)”.

## **SPECIAL BUSINESS**

### **As Ordinary Resolution(s)**

#### **Agenda No.5 - Appointment of Smt.P.V.Bharathi as a Director, liable to retire by rotation.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution:

“RESOLVED that in accordance with the provisions of Section 160(1) and all other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, Smt.P.V.Bharathi (DIN-06519925) who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 and Article 22 of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying their intention to propose Smt.P.V.Bharathi as a candidate for the office of director, is hereby appointed as a Director of the Company liable to retire by rotation”.

#### **Agenda No.6 - Appointment of Shri P.B.Santhanakrishnan as an Independent Director**

To consider and if thought fit, to pass, with or without modification(s), the following resolution:

“RESOLVED that in accordance with the provisions of Section 149 and 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder read with Schedule IV of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force) Shri P.B.Santhanakrishnan (DIN-03213653) whose period of office is liable to determination by retirement of directors by rotation (under the erstwhile Companies Act, 1956) and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying their intention to propose Shri P.B.Santhanakrishnan as a candidate for the office of director, is hereby appointed as an Independent Director of the Company for a term of one year until the conclusion of the Annual General Meeting of the year 2016 and whose office shall not be liable to retire by rotation”.

#### **Agenda No.7 - Acceptance of deposits from public**

To consider and if thought fit, to pass, with or without modification(s), the following resolution:

“RESOLVED that the consent of the Company is hereby accorded to the Board of Directors of the Company, pursuant to the Housing Finance Companies (NHB) Directions, 2010 issued under National Housing Bank Act, 1987 and guidelines issued from time to time and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as applicable, for acceptance of deposits from public and others, provided that the total amount upto which aggregate money(ies) borrowed by the Board of Directors of the Company together with the deposits so accepted from the public and others shall not exceed the limit approved by the Company in terms of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013”.

### **As Special Resolution(s)**

#### **Agenda No.8 - Increasing the borrowing powers of the Board of Directors of the Company from ₹12,000 Crore to ₹14,000 Crore.**

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(s) passed at the Twenty Seventh Annual General Meeting of the Company held on July 30, 2014, the consent of the Company is hereby accorded under the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 to the Board of Directors of the Company to borrow from time to time any money(ies) as they deem requisite for the purpose of the business of the Company, notwithstanding that the money(ies) to be borrowed together with money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) would exceed the aggregate of paid-up share capital and free reserves of the Company, provided that the total outstanding money(ies) so borrowed by the Board of Directors of the Company at any time shall not exceed ₹14,000 Crore (Rupees Fourteen Thousand Crore) only.”

#### **Agenda No.9 - Authorisation to the Board of Directors to mortgage, create charge on all or any of the assets of the Company and further issue covenants for negative pledges/lien etc.**

To consider and if thought fit, to pass, with or without modification(s), the following resolutions:

“RESOLVED that in supersession of the earlier resolution(s) passed at the Twenty Seventh Annual General Meeting of the Company held on July 30, 2014 and pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors of the Company, are hereby authorised to sell, lease or otherwise dispose of whole or substantially the whole of the undertaking of the Company, mortgage and/or create charge(s), hypothecation(s) in addition to the existing mortgages, charge(s), hypothecation(s) created by the Company on all or any of the assets and properties both immovable and movable, including whole or any part of the undertaking of the Company and further to issue covenants for negative pledges/negative liens in respect of the said assets and properties and for the purpose, to do and perform all such acts, deeds, matters and things as may be necessary, desirable or expedient and further to execute the required documents including power(s) of attorney in favour of all or any of the persons, firms, bodies corporate, banks, financial institutions, trustees, as and by way of security for the due repayment of the sums of money together with interest or other money(ies) due thereon, if any, already borrowed or to be borrowed by the Company there from shall be within the overall limits of the borrowing powers of the Board of Directors of the Company as determined from time to time by the shareholders pursuant to Section 180(1)(c) of the Companies Act, 2013”.

**Agenda No.10 - Offer or invitation for subscription for Non-Convertible Debentures (NCD) aggregating to ₹ 2,500 Crore on private placement.**

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

“RESOLVED that subject to the provisions of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, SEBI (Issue and Listing of Debt Securities) Rules, 2008, Directions/Guidelines issued by the National Housing Bank/ Regulators or any other statutory authorities from time to time, including any amendment, modification, variation or re-enactment thereof, the approval of the Members of the Company is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “the Board” which term shall be deemed to include any Committee thereof) and the Board is authorised to offer or invite/issue subscription for Redeemable Non-Convertible Debentures (NCDs) upto an amount of ₹ 2,500 Crore (Rupees Two thousand Five hundred Crore) only, on private placement basis, in one or more tranches, during the period of one year commencing from the date of this meeting until the conclusion of the next Annual General Meeting.

RESOLVED FURTHER that the Board of Directors of the Company are hereby authorised to take decision(s) about the timing of the issue(s) of such securities including the above said Non-Convertible Debentures, number of securities, number of tranche(s), to be issued under each such tranche, tenure, coupon rate(s), pricing of the issue, date(s) of opening and closing of the offers/invitations for subscription of such securities, securities for the issue, if any, deemed date(s) of allotment, exercise ‘PUT’ and ‘CALL’ option, redemption and all other terms and conditions relating to the issue of the said securities on private placement basis or delegate the above powers to committee(s) of the Board or such other Committee(s) duly constituted for the purpose.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion deem necessary in relation thereto.

RESOLVED FURTHER that the Board is hereby authorised to delegate all or any of the powers herein conferred to any director(s)/Committees and/or officers(s) of the Company, to give effect to the resolution(s).”

**Agenda No.11 - Approval for Related Party Transactions**

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

“RESOLVED that pursuant to the Provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Amendment) Act, 2015, read with applicable Rules under the Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Listing Agreement(s) executed with the Stock Exchanges including any amendment, modification or re-enactment thereof, approval of the members of the Company hereby is accorded for entering into any contracts or arrangements with the related party(ies) viz., Canara Bank, the Sponsor Bank of the Company and/or their subsidiaries with respect to the transactions entered into or to be entered into with respect to sale, purchase of any goods or materials, selling or otherwise disposing of or buying property of any kind, leasing of property of any kind, availing or rendering of any services directly or through appointment of agents, appointment to any or place of profit in the Company, remuneration for

underwriting of securities etc., or reimbursement towards any transaction or any transaction of whatever nature for an amount not exceeding ₹ 3,000 Crore (Rupees Three thousand Crore) only.

RESOLVED FURTHER that all the Related Party Transactions with respect to entering into contract(s)/arrangements with respect to the transactions as detailed above already entered into by the Company with the Related Party(ies) upto to the date of this annual general meeting are hereby ratified.

RESOLVED FURTHER that the Board of Directors of the Company and/or Audit Committee is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise in relation to the above and to settle all matters arising out of and incidental thereto and to do all acts, deeds, things as may be necessary proper or expedient to give effect to these resolutions.”

## 12. Approval for “CFHL Employees Stock Option Scheme 2015”

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

“RESOLVED that pursuant to the provisions of Section 62 and all 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 Rules made thereunder and the Memorandum and Articles of Associations of the Company and Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as ‘SEBI Regulations’) as amended from time to time and related rules, regulations, guidelines, and subject to such other approvals, consents, permissions and sanctions, as may be necessary, the consent and approval of the Company is hereby accorded to the ‘CFHL Employees Stock Option Scheme 2015’ (hereinafter referred to as the ‘CFHL scheme’) and to the Board of Directors of the Company (hereinafter referred to as ‘Board’ which term shall be deemed to include any Committee including Nomination & Remuneration Committee, to exercise its powers including the powers conferred by this resolution) to create, offer and grant from time to time, Options to the employees, existing and future, upto 1% of the paid up equity share capital of the Company of the face of Rs.10/- each fully paid up in one or more tranches, on such other terms and in such manner and subject to such conditions as the Board may decide in accordance with the provisions of the law or regulations issued by the relevant authorities.

RESOLVED FURTHER that the Board is hereby authorised to issue and allot Equity Shares to the employees upon exercise of Options from time to time in accordance with the CFHL Scheme and also to envisage for providing financial assistance to the employees to exercise their option to acquire, purchase, subscribe or hold the equity shares of the Company under the CFHL scheme.

RESOLVED FURTHER that the Equity Shares to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER that the grant of Option shall be in accordance with the terms and conditions as regards price, payment, application, allotment etc., as decided by the Board from time to time in accordance with the SEBI Regulations.

RESOLVED FURTHER that for the Board is hereby authorized to take necessary steps for listing of the equity shares allotted under CFHL Scheme on the Stock Exchanges where the shares of the Company are listed and to determine all other terms for the purpose of giving effect to any Offer, issue and allotment of equity shares as described under the CFHL Scheme and to do all such acts, deeds and things and to execute all such deeds, documents, instruments and writings as it may at its sole and absolute discretion deem necessary or expedient to settle any question, difficulty or doubt that may arise in this behalf without being required to seek further consent or approval of the members.

By Order of the Board of Directors

Place: Bengaluru  
Date: 02/06/2015

Sd/-  
Veena G Kamath  
Company Secretary

**Registered Office:**  
No.29/1, I Floor, Sir M N Krishna Rao Road  
Basavanagudi, Bengaluru - 560 004  
CIN: L85110KA1987PLC008699

# NOTES

1. The Statement pursuant to Section 102(1) and (2) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
2. **Voting through electronic means (e-voting):** Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 substituted by the Companies (Management and Administration) Amendment Rules, 2015 read with Clause 35B of the listing agreements, the Company has provided a facility to the members to exercise their right to vote electronically through electronic voting (e-voting) service facility arranged by National Securities Depository Limited (NSDL). The facility for voting through ballot paper and e-voting will also be made available at the Annual General Meeting (AGM) and the members who have not already cast their votes by remote e-voting shall be able to exercise their right at the said AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not cast their votes again. The instructions for e-voting are annexed to the Notice.
3. (a) A member entitled to attend the meeting and vote thereat is entitled to appoint a proxy. A proxy can vote on behalf of the member only on a poll but shall not have the right to speak.  
(b) A proxy need not be a member of the Company.  
(c) A person can act as a proxy on behalf of members not exceeding 50 and aggregate holding of not more than 10% of the total share capital of the Company.  
(d) A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.  
(e) Proxies in order to be valid must be deposited at the Company's Registered Office not less than 48 hours before the time fixed for the meeting or holding the adjourned meeting in relation to which the proxy is given.  
(f) A proxy form for AGM is enclosed.
4. A member would be entitled to inspect the proxies lodged at any time during the business hours of the Company during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, provided that not less than three days of notice in writing is given to the Company.
5. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company would remain closed from Friday, the June 26, 2015 to Wednesday the July 8, 2015 (both days inclusive) for the purpose of determining the entitlement of shareholders to the payment of dividend for the financial year ended March 31, 2015.
6. Subject to the provisions of Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the AGM, will be paid within a period of 30 days from the date of declaration, to those members whose names appear on the Register of Members as on June 25, 2015.
7. Copies of the Notice of the 28<sup>th</sup> AGM, Annual Report 2015, Attendance Slip and Proxy are being sent by electronic mode to all those members whose e-mail addresses are registered with the Company/RTA or Depository Participant for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the Annual Report 2015 are being sent by the permitted mode.
8. Members may note that the notice of the 28th AGM, the Annual Report 2015 and instructions for e-voting will be available on the Company's website [www.canfinhomes.com](http://www.canfinhomes.com). The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business



hours on working days. Members who require communication in physical form in addition to communication via e-mail or having any other queries, may write to us at [compsec@canfinhomes.com](mailto:compsec@canfinhomes.com).

9. All the documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013, will be available for inspection at the Registered Office of the Company during Business Hours (9.30 a.m. to 5 p.m.) on all working days upto the date of declaration of the result of the 28<sup>th</sup> AGM of the Company.
10. Register of Directors and Key Managerial Personnel and their shareholding, maintained u/s. 170 of the Companies Act, 2013 will be available for Inspection by the members at the AGM.
11. The Register of Contracts or arrangements in which the Directors are interested, maintained u/s.189 of the Companies Act, 2013, if any, will be available for inspection by the Members at the AGM.
12. Additional information, pursuant to Clause 49 of the listing agreement with stock exchanges, in respect of the directors seeking appointment/re-appointment at the AGM is furnished in the explanatory statement forming part of this Notice. The directors have furnished consent/declaration for their appointment/re-appointment as required under the Companies Act, 2013 and related Rules.
13. The members desirous of obtaining any information with regard to the audited annual accounts of the Company for the financial year 2014-15 or on any other related subject are requested to write to the Company at [accounts@canfinhomes.com](mailto:accounts@canfinhomes.com) or [compsec@canfinhomes.com](mailto:compsec@canfinhomes.com) at least 15 days before the date fixed for the AGM, so that the information required could be kept ready.
14. Members/proxies attending the Annual General Meeting are requested to bring the following:
  - (a) Attendance Slip duly completed and signed by the respective members or/proxy.
  - (b) Member companies/Institutions are requested to send a copy of the resolution of their Board or governing body, authorising their representative to attend and vote at the Annual General Meeting.
  - (c) DP & Client ID Number(s), by members holding shares in de-materialised form.
  - (d) Folio number(s), by members holding shares in physical form.
  - (e) Copy of the Annual Report.

## General Information:

1. **Unclaimed Dividend:** Pursuant to the provisions of Section 205A & 205C of the Companies Act, 1956, the dividend declared for 2007-08 remaining unclaimed and unpaid as on September 29, 2015 would be transferred to the Investor Education & Protection Fund (IEPF) on completion of 7 years. Members may please note that as of date no claim shall lie against the IEPF or the Company in respect of Dividend 2008 after September 29, 2015. Members who have not encashed their dividend warrants for the years 2007-08 to 2013-14 are requested to approach the RTA of the Company at the earliest. \_
2. **E-mail address:** The Company is concerned about the environment and encourages the green initiative taken by the Ministry of Corporate Affairs (MCA), Government of India. Members holding equity shares of the Company in physical form, are requested to provide their e-mail address to the Company via e-mail to [compsec@canfinhomes.com](mailto:compsec@canfinhomes.com) / RTA of the Company via e-mail to [ravi@ccsl.co.in](mailto:ravi@ccsl.co.in) or [naidu@ccsl.co.in](mailto:naidu@ccsl.co.in)  
  
Members holding equity shares of the Company in electronic form are requested to register their e-mail address with their respective Depository Participant for enabling us send the annual report etc., via e-mail.
3. **Payments in electronic mode:** SEBI vide its Circular dated 21/03/2013 has made it mandatory for the Companies to make payment to its investors using electronic mode viz., ECS, NECS, RTGS, NEFT etc.

- In respect of members holding shares in physical form, the Company and/or its R & T Agents are expected to maintain the bank account particulars of its investors together with the related IFSC Code. In the above Circular, the respective Depository Participants are also instructed to maintain such details pertaining to the members holding shares in demat mode.
  - Members holding shares in electronic/de-materialised form may please note that while printing the bank account particulars on the dividend warrants, the particulars as provided by the National Securities Depository Ltd. (NSDL)/ Central Depository Services (India) Ltd. (CDSL) will only be considered (in terms of the regulations of Depositories Act, 1996) for crediting the amount directly to the respective beneficial owners' bank account. Hence, the Company will not be in a position to act on any direct request from such demat holders for any change of bank account particulars.
  - The forms (separate for physical and demat holders) for furnishing Bank account particulars with the related IFSC Code, are made available on the website of the Company viz., [www.canfinhomes.com](http://www.canfinhomes.com) for download by the members and submission to the Company. The said forms are also made available at the end of the Annual Report. Members who have not yet complied with the above requirement are requested to immediately send required particulars for enabling the Company/RTA to pay dividends through electronic mode.
  - Instructions, if any, already given by the members to the Company while holding shares in physical form will become redundant on conversion of shares to demat mode. The details provided/available with the respective DPs only will be considered for all purposes including for payment of dividend.
4. **PAN:** Securities Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
  5. **Nomination facility:** Pursuant to Section 72 of the Companies Act, 2013 (corresponding section 109A of the Companies Act, 1956 which the Company had been communicating), individual/joint members are entitled to register nomination in respect of the shares held by them in Form No.SH-13 and send it to the RTA. The Nomination form is made available at the end of the Annual Report and also in the website of the Company.
  6. **Correspondence:** Members are requested to address all correspondence, including payment of dividend, change of address etc. to the Registrars and Share Transfer Agents (RTA) of the Company viz.,

M/s.Canbank Computer Services Ltd.,  
R & T Centre, Unit: Can Fin Homes Ltd.,  
J.P. Royale, I Floor, No.218, 2<sup>nd</sup> Main, Sampige Road  
(near 14<sup>th</sup> Cross), Malleshwaram, Bengaluru-560003  
e-mail: [naidu@ccsl.co.in](mailto:naidu@ccsl.co.in)  
CIN: U85110KA1994PLC016174

# **Annexure to the notice**

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act").

## **In respect of Agenda No.5**

The Board of Directors of the Company, appointed Smt.P.V.Bharathi (DIN 06519925) as an Additional Director of the Company with effect from September 22, 2014 pursuant to Article 22 of the Articles of Association of the Company ("Articles"), read with Section 161, 149(1) and all other applicable provisions of Companies Act, 2013 and as per the revised Clause 49 of the Listing Agreement for appointment of a woman director on the Board. Smt.P.V.Bharathi holds office only up to the date of the ensuing Annual General Meeting.

Smt.P.V.Bharathi is a Post Graduate in Arts (M.A.). She is also a B.Ed., graduate and a CAIIB.

Smt.P.V.Bharathi has more than 31 years of experience in the banking industry. She has served in different branches in the NCR Region and also in Tamil Nadu State. She has experience in Rural, Semi-urban, Urban and Metro Branches of the Bank. She has also worked in the administrative offices of the Bank. Presently, Smt.Bharathi is the General Manager, Canara Bank, Head Office, Bengaluru.

Presently, Smt.P.V.Bharathi, is a Director on the Boards of Canbank Venture Capital Ltd, Canara HSBC OBC Life Insurance Co. Ltd, and Cordex India Pvt Ltd.

Your Company has received a notice in writing from a shareholder, under Section 160 and all other applicable provisions, if any, of the Companies Act, 2013 signifying their intention to propose the appointment of Smt.P.V.Bharathi, as a director of the Company at the ensuing Annual General Meeting. Smt.P.V.Bharathi is willing to act as a Director of the Company, if so appointed and has filed with the Company her consent pursuant to Section 152 of the said Act.

Smt.P.V.Bharathi is not holding any equity share in the Company (both own and held by/for other persons on a beneficial basis) and has not availed any loan from the Company. She is not disqualified from being appointed as a director in terms of Section 164(2) of the Act. The requisite Form DIR-8 is received from Smt.P.V.Bharathi, by the Company, in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirming her eligibility for such appointment.

In terms of Sec.149, 150 and 152 of the Companies Act, 2013 and other applicable provisions of the said Act and rules made thereunder, Smt.P.V.Bharathi, being eligible, is proposed to be appointed as a director, liable to retire by rotation, at the ensuing Annual General Meeting.

Your directors are of the opinion that Smt.P.V.Bharathi fulfills the conditions specified in the Companies Act, 2013 for such appointment and her appointment as a director would be in the best interest of the Company.

Your Directors therefore, recommend the passing of the resolution proposed at Agenda No.5 of the Notice. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

No Director other than Smt.P.V.Bharathi, or any key managerial personnel or the relatives of the directors or key managerial personnel is in any way concerned or interested, financially or otherwise, in the said resolution.

## **In respect of Agenda No.6**

Shri P.B.Santhanakrishnan is an Independent Director of the Company (in terms of Clause 49 of the Listing Agreement) whose period in office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. He joined the Board of Directors ("the Board") of the Company on February 16, 2012. In terms of Section 149(13) of the Companies Act, 2013 the provisions relating to retirement of directors by rotation shall not be applicable to the appointment of independent directors.

Shri.P.B.Santhanakrishnan is a degree holder in Science and a Fellow of the Institute of Chartered Accountants of India (ICAI). He is a senior partner of M/s P.B.Vijayaraghavan & Co., Chartered Accountants, Chennai, which is also the Central Statutory Auditors of the Life Insurance Corporation of India. He has a wide experience in auditing of corporate and non-corporate entities, including PSUs and public sector banks. He is also engaged in consultation on tax matters and representation before SEBI/SAT/CBDT & ITAT on Corporate and Income Tax matters.



Shri.P.B.Santhanakrishnan is a former member of the RBI Committee on RTGS. He has held various positions in other organisations and has an experience of about 35 years in the profession. Presently, he is a director on the Board of Tamilnadu Minerals Ltd (A Government of Tamilnadu undertaking). He is the Chairman of the Audit Committee and a member of Stakeholders' Relationship Committees in your company.

The Board of Directors of your Company have appointed Shri P.B.Santhanakrishnan as an Independent Director with effect from March 30, 2015 for a term upto one year until the conclusion of the Annual General Meeting of the year 2016 pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modifications or re-enactment(s) thereof and Article 20(a) of the Articles of Association of the Company thereof, for the time being in force) and that he shall not be liable to retire by rotation.

Your Company has received a notice in writing from a shareholder, under Section 160 and all other applicable provisions, if any, of the Companies Act, 2013 signifying their intention to propose the appointment of Shri P.B.Santhanakrishnan, as a director of the Company at the ensuing Annual General Meeting. Shri P.B.Santhanakrishnan, is willing to act as an Independent Director of the Company, if so appointed and has filed with the Company his consent in writing in Form DIR 2 pursuant to Section 152 of the said Act.

Shri P.B.Santhanakrishnan, is holding 520 equity share in the Company (both own and held by/for other persons on a beneficial basis) and has not availed any loan from the Company. He is not disqualified from being appointed as a director in terms of Section 164(2) of the Act. The requisite Form DIR-8 is received from Shri P.B.Santhanakrishnan, in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirming his eligibility for such appointment. He has also submitted a declaration to the effect that he meets the criteria of independence as provided in section 149(6) of the Act.

In terms of Sec.149, 150 and 152 of the Companies Act, 2013 and other applicable provisions of the said Act and rules made thereunder, Shri P.B.Santhanakrishnan being eligible, is proposed to be appointed as an Independent Director to hold office for a period of one year until the conclusion of the Annual General Meeting of the year 2016.

Your directors are of the opinion that Shri P.B.Santhanakrishnan fulfils the conditions specified in the Companies Act, 2013 for such appointment and his appointment as an independent director would be in the best interest of the Company and is independent of the Management.

Your Directors therefore, recommend the passing of the resolution proposed at Agenda No.6 of the Notice. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

No Director, other than Shri P.B.Santhanakrishnan or any key managerial personnel or the relatives of the directors or key managerial personnel is in any way concerned or interested, financially or otherwise, in the said resolution.

Copy of the draft letter for appointment of Shri P.B.Santhanakrishnan as an independent director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

### **In respect of Agenda No.7**

The Company has been accepting deposits from the public since inception. With the business operations of the Company growing, Company's requirements for additional funds are increasing. The Company intends to continue to accept deposits from the public. However, in terms of Section 73(2) and 76 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder, effective from April 01, 2014 your Company is exempt from applicability of the provisions under the Companies (Acceptance of Deposits) Rules, 2014 for the purpose of acceptance of deposits from public since your Company is a Housing Finance Company registered with National Housing Bank (NHB).

In order to be eligible for accepting deposits from the public in terms of section 73(2) of the Companies Act, 2013, your Company is seeking the prior consent of the members by way of an ordinary resolution, subject to the condition that the amount accepted in the form of deposits from public together with the existing borrowings and future borrowings would be within the limits specified by the members under section 180(1)(c) of "the Act". However, your Company being a housing finance Company registered with NHB, has been following the Directions/ guidelines issued by the National Housing Bank from time to time with regard to acceptance and renewal of deposits and continue to follow the Directions/Guidelines issued by NHB from time to time.

Your Directors therefore, recommend the passing of the resolution proposed at Agenda No.7 of the Notice.

No Director or any key managerial personnel or the relatives of the directors or key managerial personnel is in any way concerned or interested, financially or otherwise, in the said resolution.

### **In respect of Agenda No.8**

At the 27<sup>th</sup> Annual General Meeting of the Company held on July 30, 2014, consent of the shareholders was obtained u/s.180(1)(c) and all other applicable provisions, if any, of the Companies Act 1956, by way of a special resolution, to the Board of Directors of the Company for borrowing monies in excess of the aggregate of the paid up capital and free reserves of the Company upto a sum of ₹ 12,000 Crore (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business). Further, with the business operations growing and the expected growth in the activities and operations of the Company the aforesaid limit of ₹ 12,000 Crore (Rupees Twelve Thousand Crore) is likely to exceed in due course/in the near future.

In view of the overall increase in the business activities of the Company i.e. , expected loan book size and considering the net owned funds and additional working capital requirements, it is considered desirable to increase the Company's existing borrowing limit of ₹ 12,000 Crore to ₹ 14,000 Crore. In order to comply with the requirements under Section 180(1)(c) of the Companies Act, 2013, consent of the members is sought through the resolution(s) proposed at Agenda No.8 by way of special resolution to enable the Board of Directors of the Company to borrow moneys upto a sum of ₹ 14,000 Crore (Rupees Fourteen thousand Crore).-

Your Directors therefore, recommend the passing of the resolution proposed at Agenda No.8 of the Notice.

None of the Director or any key managerial personnel or the relatives of the directors or key managerial personnel is in any way concerned or interested, financially or otherwise, in the said resolution.

### **In respect of Agenda No.9**

In terms of Section 180(1)(a) and all other applicable provisions, if any of the Companies Act, 2013, an authorisation/ consent by the members of the Company is required to mortgage and/or to create charge on all or any of the assets and properties immovable and movable, including undertaking(s) of the Company and further to issue covenants for negative pledges/ negative liens in respect of the said assets and properties and for the purpose, to do and perform all such acts, deeds, matters and things as may be necessary, desirable or expedient and further to execute the required documents including powers of attorney in favour of all the lenders as and by way of security for the due repayment of sums of money together with interest or other moneys due thereon, if any, such borrowings within the overall limits of the borrowing powers of the Board of Directors of the Company as determined from time to time by the shareholders pursuant to Section 180(1)(c) of the Companies Act, 2013.

The above said authorisation(s)/consent by the members of the Company are to be made to the Board of Directors by means of a Special Resolution, which shall be within the overall limits of the borrowing powers of the Board of Directors of the Company as determined from time to time by the shareholders pursuant to Section 180(1)(c) and all other applicable provisions, if any of the Companies Act, 2013.

Your Directors therefore, recommend the passing of the resolution proposed at Agenda No.9 of the Notice.

None of the Director or any key managerial personnel or the relatives of the directors or key managerial personnel is in any way concerned or interested, financially or otherwise, in the said resolution.

### **In respect of Agenda No.10**

In terms of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013, a Company may, subject to the provisions of that section, make an offer or invitation for subscription of securities including non-convertible debentures by way of private placement.

Further, in terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions, if any, of the said Act, Directions/Guidelines by the Regulators or any other statutory authorities issued from time to time, a Company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe securities has been previously approved by the shareholders of the Company by a Special Resolution, for each of the offers or invitations. In case of an offer or invitation