

GRUH FINANCE LIMITED

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E-mail : investorcare@gruh.com • www.gruh.com
CIN : L65923GJ1986PLC008809



NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF GRUH FINANCE LIMITED WILL BE HELD AT 10.30 A.M., ON WEDNESDAY, THE 30th DAY OF MAY, 2018 AT H.T. PAREKH CONVENTION CENTRE, AHMEDABAD MANAGEMENT ASSOCIATION (AMA), ATIRA CAMPUS, DR. VIKRAM SARABHAI MARG, AHMEDABAD 380 015 TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statement of the Company for the year ended March 31, 2018 and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. K. G. Krishnamurthy, (DIN 00012579), liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.
4. To ratify the appointment of Auditors and to fix their remuneration and in this regards pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No.117366W/W-100018), Chartered Accountants, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 33rd Annual General Meeting be and is hereby ratified and their appointment be at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable GST and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

SPECIAL BUSINESS

5. Appointment of Ms. Bhavna Doshi (DIN 00400508) as an Independent Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, consent of the members be and is hereby given to the appointment of Ms. Bhavna Doshi (DIN 00400508), appointed as Additional Director with effect from January 20, 2018 and holds office upto the ensuing Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and being qualified for appointment as Independent Director and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Independent Director to hold office for five consecutive years for a term from January 20, 2018 up to January 19, 2023."

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Bhavna Doshi be paid such fees and remuneration and profit related commission as the Company may decide from time to time and within the limits prescribed or as may be prescribed from time to time."

6. Re-appointment of Mr. Biswamohan Mahapatra (06990345) as an Independent Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Biswamohan Mahapatra (DIN 06990345), who was appointed as Additional Director w.e.f. March 19, 2018 and holds office upto the ensuing Annual General Meeting in terms of Section 161 of the Companies Act, 2013, and who is eligible for re-appointment under the provisions of the Companies Act, 2013, and Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, the consent of the members be and is hereby given to his re-appointment as an Independent Director with effect from March 19, 2018 for a period of five years upto March 18, 2023, for the second term."

"RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Biswamohan Mahapatra be paid such fees and remuneration and profit related commission as the Company may decide from time to time and within the limits prescribed or as may be prescribed from time to time."

7. Appointment of Ms. Renu S. Karnad (DIN 00008064) as a Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the relevant rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members be and is hereby given to the appointment of Ms. Renu S Karnad (DIN 00008064), who was appointed as an Additional Director w.e.f. February 1, 2018 and who holds office as such upto the date of ensuing Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation."

8. Approval for increase in Authorised Share Capital and consequent amendment to the Memorandum of Association of the Company:

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

"RESOLVED THAT in accordance with the provisions of Sections 13 and 61 and all other applicable provisions, if any, of the Companies Act, 2013, the existing Authorised Share Capital of ₹ 100,00,00,000/- (Rupees One Hundred Crore only) divided into 50,00,00,000 (Fifty Crore) Equity Shares of ₹ 2/- (Rupees Two) each be increased to ₹ 200,00,00,000/- (Rupees Two Hundred Crore only) divided into 100,00,00,000 (One Hundred Crore) Equity Shares of ₹ 2/- (Rupees Two) each by creation of 50,00,00,000 (Fifty Crore) Equity Shares of ₹ 2/- (Rupees Two) each, additional Shares ranking pari-passu with the existing Shares in all respects."

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 be deleted and the same be substituted with the following new clause as Clause V :

- V. The Authorised Share Capital of the Company is ₹ 200,00,00,000 (Rupees Two Hundred Crore only) divided into 100,00,00,000 (One Hundred Crore) Equity Shares of ₹ 2/- (Rupees Two) each.

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include a Committee thereof authorized for the purpose) be and is hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution."

9. Approval of Issue of Bonus shares:

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

"RESOLVED THAT in accordance with the applicable provisions of the Companies Act, 2013 including the provisions of section 63(2)(b) or any amendment or re-enactment thereof, and Article 183(a) of the Articles of Association of the Company and subject to the regulations issued by Securities and Exchange Board of India (SEBI) in this behalf and subject to such approvals, consents, permissions and sanctions as may be necessary from appropriate authorities, consent be and is hereby accorded to the Board of Directors of the Company, (hereinafter referred to as the "Board" which expression shall also include a Committee thereof) for capitalization of a sum not exceeding ₹ 73,14,40,022/- (Rupees Seventy three crores, fourteen lakhs, forty thousand, Twenty two only) from the Securities Premium Account, of the Company for the purpose of issue of 36,57,20,011 Equity shares of ₹ 2/- each as Bonus Shares, credited as fully paid-up to the holders of the Equity shares of the Company whose names shall appear on the Register of Members on the 'Record Date'

determined by the Board or Committee thereof for the purpose, in the proportion of 1 (One) Bonus Equity Share of ₹ 2/- for every 1 (One) fully paid-up Equity Shares of ₹ 2/- each held by them and the Bonus Shares so distributed shall, for all purposes, be treated as an increase in the paid up Capital of the Company held by each such Member, and not as income;

"RESOLVED FURTHER THAT the Board be and is hereby authorised to make appropriate adjustments due to the issue of bonus shares as aforesaid, to the stock options which have been granted to employees of the Company under its Employee Stock Option Schemes pursuant to the Securities and Exchange Board of India (Employee Stock Options and Employee Stock Purchase Scheme) Guidelines, 1999/ Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and any amendments thereto from time to time, such that the exercise price for all employee stock options which are outstanding as on the Record Date (vested and unvested options including lapsed options, options available for reissue and options that are available for grant) shall be proportionately adjusted and the number of stock options which are available for grant and those already granted but not exercised as on Record Date shall be appropriately adjusted."

RESOLVED FURTHER THAT the Bonus Shares so allotted shall rank pari-passu in all respects with fully paid-up Equity Shares of the Company as existing on the Record Date.

RESOLVED FURTHER THAT the Bonus Shares so allotted always be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT no Letter of Allotment shall be issued in respect of the Bonus Shares and in case of Members who hold Shares or opt to receive the Shares in dematerialized form, the Bonus Shares shall be credited to the respective beneficiary accounts of the Members with their respective Depository Participants and in case of Members who hold Equity Shares in certificate form, the share certificates in respect of the Bonus Shares shall be dispatched, within such time as prescribed by law and the relevant authorities.

RESOLVED FURTHER THAT Board be and is hereby authorized to take necessary steps for listing of such shares on the Stock Exchanges where the securities of the Company are listed as per the provisions of the Listing Regulations with the concerned Stock Exchanges and other applicable guidelines, rule and regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient, and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

10. Approval for increasing the Borrowing Powers under Section 180(1)(c) of the Companies Act, 2013 upto ₹ 21,000 crores.

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 passed at the 30th Annual General Meeting of the members of the Company held on 22nd June 2016, the consent of the members be and is hereby accorded under the provisions of Section 180(1)(c) of the Companies Act, 2013, to the Board of Directors to borrow from time to time such sum or sums of money as they may deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from cash credit arrangement, discounting of bills and other temporary loans obtained from company's bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose;

Provided that the total amount up to which monies may be borrowed by the Board of Directors and which shall remain outstanding at any given point of time shall not exceed the sum of ₹ 21,000 crores (Rupees Twenty one thousand crores only) and such borrowings shall always be within the ceiling of borrowings as stipulated in the NHB Directions/Regulations from time to time."

11. Approval for creation of charges, mortgages, hypothecation on the immovable and movable properties of the Company under section 180(1)(a) of the Companies Act, 2013:

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

"RESOLVED THAT pursuant to the provisions of section 180(1)(a) and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or amendments thereof) and Rules made thereunder, consent of the members be and is hereby accorded to the Board of Directors and/or its Committee(s), to create security or to encumber on all or any of the immovable and movable properties of the Company, where so ever situated, present and future, and/or conferring power to enter upon and to take possession of assets of the Company in certain events, to or in favour of any Bank(s) or Financial Institution(s) situated within or outside India (hereinafter referred to as "the Lenders") to secure repayment of rupee term loans, non convertible debentures (NCDs) or foreign currency loans, NCDs or a combination of both, lend, advanced or agreed to lend and advanced by the lender(s) to the Company either jointly or severally or in any other combination thereof, as the case may be, in terms of the loan agreement(s), arrangement, entered into / to be entered into by the Company with each of the lenders for the purpose of carrying out the Company's business."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable."

12. Approval for Issuance of Redeemable Non Convertible Debentures (NCDs) and Issuance of Unsecured Redeemable Subordinated Debt –Tier II NCDs:

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

"RESOLVED THAT pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and SEBI (Issue and Listing of Debt Securities) Regulations, 2008, including any amendment, modification, variation or re-enactment thereof, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof), for onshore and/or offshore issuance of Redeemable Non-Convertible Debentures (NCDs) denominated in Indian Rupees and/or any Foreign Currency, for cash, either at par or premium or at a discount to face value, to issue Redeemable NCDs upto an amount not exceeding ₹ 5,000 crores (Rupees five thousand crores only) and to issue Unsecured Redeemable Subordinated Debt –Tier II NCDs upto an amount of ₹ 100 crores (Rupees one hundred crores only), to augment long-term resources to finance the housing finance operations and other activities of the Company, both aggregating to ₹ 5,100 crores (Rupees five thousand one hundred crores only), under one or more information memorandum / shelf disclosure document, during a period of one year commencing from the date of the 32nd Annual General Meeting hereof, on a private placement basis on such terms and conditions as the Board may deem fit and appropriate for each series as the case may be."

"RESOLVED FURTHER THAT these borrowings will be within the overall limits of ₹ 21,000 crores as proposed to be approved by the members at the 32nd AGM scheduled to be held on 30th May, 2018 and also subject to the NHB prescribed ceiling of borrowings as stipulated in the NHB Directions/Regulations from time to time.

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the board be and is hereby authorized 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 be and is hereby authorized to delegate all or any of the powers herein conferred to any director(s) and/or officer(s) of the Company, to give effect to the resolution."

By Order of the Board

Mumbai
April 14, 2018

Marcus Lobo
Company Secretary
FCS : 4256

NOTES:

- (A) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The proxy form, to be valid and effective, should be lodged at the registered office of the Company, duly completed and signed, not less than forty-eight hours before the commencement of the AGM.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carry voting rights. A member holding more than ten percent 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.

- (B) The relative Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013 in respect of the special business under item No. 5 to 12 are annexed hereto.
- (C) Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, April 25, 2018 to Friday, April 27, 2018, (both days inclusive) for determining the entitlement of the shareholders to the payment of dividend.
- (D) Subject to the provisions of Section 126 of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the AGM, will be dispatched/remitted commencing on or after May 30, 2018.
- (E) All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the AGM and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11.00 a.m. and 1.00 p.m. on all working days of the Company from the date hereof up to the date of ensuing annual general meeting.
- (F) In terms of the provisions of Section 124 of the Companies Act, 2013, the amount of dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund established by the Government. Accordingly, the unclaimed dividend in respect of financial year 2010-11 is due for transfer to the said Fund in August, 2018.
- (G) Members who have neither received nor encashed their dividend warrant(s) for the financial years 2010-11 upto 2016-17, are requested to write to the Company, mentioning the relevant Folio number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrant(s).
- (H) Members holding shares in physical form are requested to promptly notify in writing any changes in their address/bank account details to the Secretarial Department of the Company at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006. Members holding shares in electronic

form are requested to notify the changes in the above particulars, if any, directly to their Depository Participants (DP).

- (I) In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014 and Regulation 36 of the SEBI (LODR) Regulations, 2015, this Notice and the Annual Report of the Company for the financial year 2017-18 are being sent by e-mail to those Members who have registered their e-mail address with the Company (in respect of shares held in physical form) or with their DP (in respect of shares held in electronic form and made available to the Company by the Depositories.

The Company requests those Members who have not yet registered their e-mail address, to register the same directly with their DP, in case shares are held in electronic form and to the Company, in case shares are held in physical form.

- (J) The Annual Report 2017-18 of the Company is also available on the Company's website at www.gruh.com and also on the website of the respective Stock Exchanges at www.bseindia.com and www.nseindia.com.
- (K) In terms of the provisions of the provisions of Section 107 of the Companies Act, 2013, since the resolutions set out in this Notice are being conducted through e-voting, the said resolutions will not be decided on show of hands at the AGM.
- (L) Equity shares of the Company are under compulsory demat trading by all investors. Considering the advantage of scripless trading, members are requested to consider dematerialisation of their shareholding so as to avoid inconvenience in future.
- (M) For Security reasons and for proper conduct of AGM, entry to the place of the AGM will be regulated by the Attendance Slip, which is annexed to this Notice. Members/ Proxies are requested to bring their Attendance Slip in all respects and signed at the place provided there at and hand it over at the entrance of the venue. The route map of the AGM venue is also annexed to this Notice.
- (N) Voting through electronic means:
- I. In compliance with provisions of Regulation 44 of SEBI (LODR) Regulations, 2015, Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the 32nd Annual General Meeting (AGM) by electronic means (e-voting) and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

- IV. The remote e-voting period commences on May 26, 2018 (9:00 am) and ends on May 29, 2018 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of May 23, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The details of the process and manner for remote e-Voting are explained herein below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical

- a) For Members who hold shares in demat account with NSDL.
- b) For Members who hold shares in demat account with CDSL.
- c) For Members holding shares in Physical Form.

Your User ID is:

- a) 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
- b) 16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
- c) EVEN Number followed by Folio Number registered with the company. For example, if folio number is 001*** and EVEN is 108337 then user ID is 108337001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

- c) How to retrieve your 'initial password'?

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to gruhscrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or contact Ms. Pallavi Mhatre, Assistant Manager, National Securities Depository Ltd., Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email address: pallavid@nsdl.co.in/ evoting@nsdl.co.in or at telephone no. +91 22 2499 4545 who will also address the grievances connected with the voting by electronic means. Members may also write to the Company Secretary at the email address: investorcare@gruh.com or contact at telephone no. 079-26421671-75.
- VI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of May 23, 2018.
- VII. Any person, who acquires shares of the Company and become a member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. May 23, 2018, may obtain the

User ID and password by sending a request at evoting@nsdl.co.in or investorcare@gruh.com.

However, if you are already registered with NSDL for remote e-voting then you can use your existing User ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- VIII. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- IX. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- X. Mr. M.C. Gupta, of M/s. M. C. Gupta & Co., Company Secretaries, (Membership No. FCS : 2047) (Address : 703, Mauryansh Elanza, Near Parekh's Hospital, Shyamal Cross Roads, Satellite, Ahmedabad – 380015) has been appointed for as the Scrutinizer *inter alia* for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XI. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or to a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XIII. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.gruh.com and on the website of NSDL immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Ltd., Mumbai.

MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

INFORMATION AS REQUIRED UNDER REGULATION 36(3) SEBI (LODR) REGULATIONS, 2015 IN RESPECT OF DIRECTORS BEING RE-APPOINTED/APPOINTED:

Re-appointment of Mr. K.G. Krishnamurthy (Item No. 3)

Mr. K.G. Krishnamurthy is the Managing Director & CEO of HDFC Property Ventures Limited (HPVL). Prior to that, he was employed with HDFC as Senior General Manager – Technical Services. He has played a key role in the successful closure of International and domestic real estate funds having an aggregate corpus of INR 71 billion. He is a graduate from IIT Kharagpur with a management degree from Jamnalal Bajaj Institute of Management, Mumbai. He has vast experience of over two decades in real estate and has been widely consulted by the industry on real estate matters. He has offered his services to the Asian Development Bank - to develop a housing package for Project Affected Persons under Karnataka Urban Infrastructure Project and to the US AID to build-up a mortgage market in Sri Lanka. Besides his responsibilities within the HDFC group, he is on the board of several companies including HDFC Venture Capital Limited, HDFC Sales Pvt. Limited, HDFC Investments Limited, Vascon Engineers Limited, New Consolidated Construction Co. Ltd., etc. He has been appointed on the board of GRUH since 2004. He is a member of Stakeholders Relationship Committee of GRUH. Mr. K.G. Krishnamurthy holds 4,66,650 shares of the Company. Mr. K.G. Krishnamurthy is not related to any other directors of the Company.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts.

As required under Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 12 of the Notice.

Item No. 5

Ms. Bhavna Doshi, aged 64 years, was appointed as Additional Director of the Company in the category of Non-Executive Independent Director w.e.f January 20, 2018.

Ms. Bhavna Doshi, is a fellow member of the Institute of Chartered Accountants of India and holds Masters Degree in Commerce from Mumbai University. She has rich experience of over three decades providing advisory services in the fields of taxation, accounting, corporate and regulatory matters. She is former partner of Bharat S Raut & Co (full member firm of KPMG in India). She has served as elected member of the Council of Chartered Accountants of India for 4 terms of 3 years each. She has contributed significantly to the development of accounting standards, taxation and research projects. She has served on the Compliance Advisory Panel of International Federation of Accountants headquartered at New York. She was

President of the IMC Chamber of Commerce and Industry. She is a director in companies like Torrent Power Ltd., Everest Industries Ltd., Sun Pharma Advanced Research Company Ltd., Peninsula Land Ltd., Walchandnagar Industries Ltd., etc. She is on the Board of GRUH since January 2018. She is a member of Audit Committee and Stakeholders Relationship Committee of GRUH. Ms. Bhavna Doshi does not hold any equity share of the Company. Ms. Bhavna Doshi is not related to any other directors of the Company.

Ms. Bhavna Doshi was appointed as an Additional Independent Director w.e.f. January 20, 2018. Her appointment is proposed to be regularized at the ensuing annual general meeting of the Company for a period of five consecutive years i.e. upto January 19, 2023. Since she was appointed a director w.e.f January 20, 2018, no board meeting was attended by him during 2017-18.

In the opinion of the Board, Ms. Bhavna Doshi fulfils the conditions specified in Section 149 (6) read with Schedule IV of the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. The copy of the letter of appointment of Ms. Bhavna Doshi as an Independent Director setting out the terms and conditions would be available for inspection by a member at the Registered Office of the Company during normal business hours on any working day to the Company.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Ms. Bhavna Doshi as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Ms. Bhavna Doshi as an Independent Director, for the approval by the shareholders of the Company.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Ms. Bhavna Doshi are concerned or interested, financial or otherwise, in the resolution set out at Item No.5. This Explanatory Statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015.

Item No. 6

Mr. Biswamohan Mahapatra, aged 63 years, is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on March 19, 2015. Under the provisions of the Companies Act 2013, Mr. Biswamohan Mahapatra was appointed as an Independent Director for a fixed term of three years from March 19, 2015 upto March 18, 2018. Mr. Biswamohan Mahapatra, completed his term on March 18, 2018. The Board of directors had, on the recommendations of the NRC and based on the evaluation report and subject to the approval of the members in the ensuing AGM, considered the re-appointment of Mr. Biswamohan Mahapatra as Independent Director for a second term w.e.f. March 19, 2018 for a period of five years upto March 18, 2023.

Mr. Biswamohan Mahapatra was a Central Banker with his career spanning over 33 years in Reserve Bank of India (RBI) mostly in the areas of banking regulation, policy and supervision. He retired as Executive Director of RBI in 2014. Post his retirement, he was on full

time contract basis for six months as an Advisor to RBI on new bank licensing. He was also associated with various working groups and committees of RBI. He holds a Master of Science in Management (MSM) from USA, Master of Business Administration (MBA), Master of Arts (MA) and Banking (CAIIB). He is a Senior Advisor to Ernst & Young LLP. He is a director on the board of Edelweiss Financial Services Ltd., Edelweiss General Insurance Co. Ltd., ECL Finance Ltd. HDFC Credila Financial Services Pvt. Ltd., Ujjivan Small Finance Bank Ltd. and Indian Institute of Insolvency Professionals of ICAI (IIPI) etc. He is on the Board of GRUH since March 2015. He is Chairman of the Audit Committee and a member of the Nomination and Remuneration Committee of GRUH.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Biswamohan Mahapatra, being eligible for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto March 18, 2023. He has attended five board meetings during the financial year 2017-18.

In the opinion of the Board, Mr. Biswamohan Mahapatra fulfils the conditions specified in Section 149(6) read with Schedule IV of the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. The copy of the letter of appointment of Mr. Biswamohan Mahapatra as an Independent Director setting out the terms and conditions would be available for inspection by a member at the Registered Office of the Company during normal business hours on any working day to the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Biswamohan Mahapatra as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Biswamohan Mahapatra as an Independent Director, for the approval by the shareholders of the Company.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Mr. Biswamohan Mahapatra are concerned or interested, financial or otherwise, in the resolution set out at Item No.6. This Explanatory Statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015.

Item No. 7

Ms. Renu S. Karnad, aged 65 years, is a Non-Executive Non-Independent Director of the Company. She has been on the Board of GRUH since 2000. She had briefly stepped down from the Board in October 2017 due to limitations on the number of board positions, and joined the Board again in February 2018. The Board of directors had, on the recommendations of the NRC and based on the evaluation report and subject to the approval of the members in the ensuing AGM, considered the appointment of Ms. Renu S. Karnad as an Additional Non Executive Non Independent Director who shall be liable to retire by rotation, in terms of the relevant provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company.

Ms. Renu S. Karnad, the Managing Director of HDFC, holds a Master's degree in Economics from the University of Delhi and is a Law Graduate from Mumbai University. She is a Parvin Fellow – Woodrow Wilson School of International Affairs, Princeton University, U.S.A. She has been employed with HDFC since 1978. She has been spearheading HDFC's operations and expansion. She is a director in companies like HDFC Asset Management Company Ltd., HDFC Standard Life Insurance Company Limited, HDFC ERGO General Insurance Company Limited, Indraprastha Medical Corporation Limited, Maruti Suzuki India Ltd., Bosch Ltd, Bangalore International Airport Ltd, HIREF International Fund Pte Ltd., HIREF International Fund II Pte Ltd., etc. She has been on the Board of GRUH since 2000. She had briefly stepped down from the Board in October 2017 due to limitations on the number of board positions, and joined the Board again in February 2018. She is a member of the Nomination and Remuneration Committee of GRUH. Ms. Renu S. Karnad holds 4,67,230 equity shares of the Company. Ms. Renu S. Karnad is not related to any other directors of the Company.

In the opinion of the Board, Ms. Renu S. Karnad fulfils the conditions specified in relevant provisions of the Companies Act, 2013 and rules made thereunder for his appointment as an Additional Non-Executive Director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Ms. Renu S. Karnad as Non-Executive Non Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Ms. Renu S. Karnad as Non-Executive Non Independent Director, for the approval by the shareholders of the Company.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Ms. Renu S. Karnad are concerned or interested, financial or otherwise, in the resolution set out at Item No.7. This Explanatory Statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015.

Item No. 8

The Board of Directors, at its meeting held on 14th April, 2018 and subject to approval of members in ensuing annual general meeting, has recommended issue of Bonus Shares in the proportion of 1:1 i.e. one new fully paid up Equity Share Capital of ₹ 2/- each for 1 (one) fully paid-up Equity Share Capital of ₹ 2/- each.

The present Authorized Share Capital of the Company is ₹ 100,00,00,000/- (Rupees One Hundred Crore only) which is not adequate to accommodate the issue of proposed Bonus shares in the proportion of 1:1 i.e. one new fully paid up Equity Share of ₹ 2/- each for 1 (one) fully paid-up Equity Share of ₹ 2/- each. It is therefore proposed to increase the same from ₹ 100,00,00,000/- (Rupees One Hundred Crore) divided into 50,00,00,000 (Fifty Crore) Equity Shares of ₹ 2/- each to ₹ 200,00,00,000/- (Rupees Two Hundred Crore) divided into 100,00,00,000 (One Hundred Crore) Equity Shares of ₹ 2/- each by creation of 50,00,00,000 (Fifty Crore) Equity Shares of ₹ 2/- each ranking pari-passu with the existing Equity Shares.

As per the provisions of the Companies Act, 2013, for Increase in Authorized Share Capital, Change in Clause of Memorandum of Association requires approval of members.

Your Board, accordingly, recommends passing of the resolution as set out at Item No. 8 of this Notice, for the approval of the Members.

Save and except for the equity shares of the Company held by them, none of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No. 9

GRUH Finance Limited was incorporated in the year 1986. Under the able leadership and management, the Company has grown from strength to strength. As on March 31, 2018, the paid-up share capital of the Company is ₹ 73,14,40,022/- and reserves and surplus stood at more than ₹ 1,307 crores. The Company is a regular dividend paying Company. The equity shares of ₹ 2/- each is quoted approx around ₹ 600 in the stock market. There has been demand from shareholders to issue bonus shares.

With a view to bring the share capital to a level commensurate with the total networth in the Company and rewarding business operation and considering accumulated reserves of more than ₹ 1,307 crores, the Board of Directors at its meeting held on 14th April, 2018 has recommended issue of Bonus Shares in the proportion of 1:1 i.e. one new fully paid-up Equity Share of ₹ 2/- each for every 1 (one) fully paid-up Equity share of ₹ 2/- each, to the eligible shareholders of the Company as on the Record Date to be fixed by the Board or a Committee thereof authorized for this purpose. The present paid-up Equity Share Capital of the Company is ₹ 73,14,40,022/- consisting of 36,57,20,011 Equity Shares of ₹ 2/- each. In accordance with the enabling provisions that sums not exceeding ₹ 73,14,40,022/- be drawn from the Securities Premium account of the Company and capitalised and transferred to Share Capital Account towards issue and allotment of Equity Shares not exceeding 36,57,20,011 Equity Shares of ₹ 2 each as Bonus Shares, credited as fully paid-up, to the members holding Equity Shares as on the Record Date to be specified in this behalf. The Bonus Shares will be issued in the proportion of 1 (one) new Equity Share(s) for every 1 (one) Equity Share held on record date. The said Bonus Shares shall rank *pari-passu* with the then existing Equity Shares.

The approval of this resolution would be pursuant to the provisions of section 63(1)(b) of the Companies Act, 2013 and other applicable provisions.

The issue of Bonus Shares to non-residents shareholders is subject to provision of the Foreign Exchange Management Act, 1999.

The Board recommends the resolution for approval of the shareholders.

None of the Directors, Key Managerial Personnel (KMP) of the Company or their relatives are deemed to be concerned or interested in the resolutions set out at Item No.9 except to the extent of their entitlement of Bonus shares on the record date and also adjustment on ESOS entitlement yet to be exercised.

Item No. 10

In terms of the resolution passed by the members of the Company at the 30th annual general meeting held on June 22, 2016, the amount consequent to loans borrowed by the Board of Directors on behalf of the Company cannot exceed ₹ 15,000 crores at any point of time.

As on March 31, 2018, the total borrowings of the Company amounted to ₹ 14,046 crores. In view of expected growth in business of the Company, it may be necessary for the Company to borrow monies from various sources consequent to which the amount outstanding could exceed the present limit of ₹ 15,000 crores. Further under law, it is now required that such a resolution be by way of a special resolution. This resolution will also include the sub limit of ₹ 5,100 crores for the proposed borrowing of debentures.

Your Directors accordingly commend increase in the borrowing powers from ₹ 15,000 crores to ₹ 21,000 crores as set out in the resolution at Item No. 10 for approval of the members.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 10.

Item No. 11

According to the provisions of Section 180(1)(a) of Companies Act, 2013, the Board of Directors can exercise its powers to create/renew charges, mortgages, hypothecations and floating charges on immovable or movable properties of the Company to secure its borrowings, only with the consent of the shareholders obtained by way of Special Resolution.

Therefore, the Board of Directors of the Company seeks the consent of the shareholders by way of Special Resolution under Section 180(1)(a) of Companies Act, 2013, to empower the Board to create/ renew charges, mortgages, hypothecations and floating charges including on negative lien basis on the immovable and movable properties of the Company to secure the borrowings of the Company.

The Board of Directors recommends the Special Resolution set out in Item No. 11 of the accompanying notice for approval of the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is/are concerned or interested, in any manner in the passing of proposed Resolution set out at Item No. 11 of the Notice.

Item No. 12

For the purpose of the business of the company, to augment long-term resources to finance the housing finance operations and other activities of the Company, the board of directors of your Company is required to borrow funds, within the limits approved by the members, *inter-alia*, by issue of Non-Convertible Debentures (NCDs) in accordance with the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities Regulations, 2008) as amended.

In terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company can make a private placement of its securities including NCDs subject to prior approval of the

shareholders by way of special resolution. The Rules further provides that the said special resolution shall be passed in respect of all offers / invitations for such debentures made during the year. As per the Rules, such an approval from the members to borrow funds by way of NCDs is valid for one year.

At the 31st AGM held on June 15, 2017, the members had approved borrowings by way of NCDs upto an amount not exceeding of ₹ 5,000 crores and unsecured redeemable subordinated debt upto and amount of ₹ 100 crores, both aggregating to ₹ 5,100 crores, on a private placement basis. GRUH has during the year 2017-18, raised NCDs aggregating to ₹ 2,060 crores, through private placement.

As at March 31, 2018, the total borrowings of the Company of ₹ 14,046 crores, are inclusive of Non-Convertible Debentures of ₹ 4,097 crores and unsecured redeemable subordinated debt Tier II NCD of ₹ 35 crores. These borrowings are within the overall limits of ₹ 15,000 crores as approved by the members at the 30th AGM held on June 22, 2016 and also subject to the NHB prescribed ceiling of borrowings as stipulated in the NHB Directions/Regulations from time to time.

The NCDs proposed to be issued for cash either at par or premium or at a discount to face value depending upon the prevailing market conditions, shall be within the overall borrowing limits of ₹ 15,000 crores as approved by the members at the 30th AGM held on June 22, 2016 and the overall borrowing limits of ₹ 21,000 crores as proposed

to be enhanced on approval by the members at the 32nd AGM scheduled to be held on May 30, 2018, and also subject to the NHB prescribed ceiling of borrowings as stipulated in the NHB Directions/Regulations from time to time.

Accordingly the approval of the members is being sought by way of special resolution as set out at Item No.12 for issue of Non-Convertible Debentures on a private placement basis during the period of one year from the date of this meeting, under one or more information memorandum / shelf disclosure document in one or more series or trenches.

Your Directors recommend the passing of the special resolution proposed at Item No.12 of the Notice.

None of the directors or Key Managerial Personnel (KMP) of the company or their relatives, are in any way, financially or otherwise, concerned or interested in the said resolution.

By Order of the Board

Mumbai
April 14, 2018

Marcus Lobo
Company Secretary
FCS : 4256