

GRUH FINANCE LIMITED

Regd. Office: "GRUH", Netaji Marg, Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad 380 006 • Phone : 079 2642 1671-75
E-mail : investorcare@gruh.com • www.gruh.com
CIN : L65923GJ1986PLC008809



NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY THIRD ANNUAL GENERAL MEETING OF THE MEMBERS OF GRUH FINANCE LIMITED WILL BE HELD AT 10.30 A.M., ON FRIDAY, THE 19TH DAY OF JULY, 2019 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, 2019 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. Keki M. Mistry, (holding DIN No. 00008886), liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. 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 crore (Rupees five thousand crore only) and to issue Unsecured Redeemable Subordinated Debt –Tier II NCDs upto an amount of ₹ 100 crore (Rupees one hundred crore only), to augment long-term resources to finance the housing finance operations and other activities of the Company, both aggregating to ₹ 5,100 crore (Rupees five thousand one hundred crore only), under one or more information memorandum / shelf disclosure document, during a period of one year commencing from the date of the 33rd 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 be within the overall limits of ₹ 21,000 crore as approved by the members at the 32nd AGM 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."

5. Approval for payment of Commission to Non-executive Directors:

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

"RESOLVED THAT pursuant to Regulation 17 of SEBI (LODR) Regulations, 2015 and pursuant to the provisions of Sections 197(1), 198 and other applicable provisions, if any, of the Companies Act, 2013, including any amendment, modification, variation or re-enactment thereof, the non-executive directors of the Company in addition to sitting fees being paid / payable to them for attending the meetings of the Board of Directors of the Company (hereinafter referred to as the 'Board') and its Committee thereof, be paid for FY 2019-20, commission of an amount as may be determined by the Board from time to time, subject to an overall ceiling upto 1% (one percent) of the net profits of the Company (computed in the manner referred to in Section 198 of the Companies Act, 2013), to be divided amongst them in such manner as the Board may, from time to time, determine."

6. Increase in limit of total shareholding of all Registered Foreign Portfolio Investors (FPIs) / Registered Foreign Institutional Investors (FIIs) put together from 24% to 40% of the paid-up equity share capital 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 the Foreign Exchange Management Act, 1999 (FEMA), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("Regulations") and all other applicable Rules, Schedules, Regulations, Circulars, Directions, Notifications, Press Notes, Guidelines and Laws (including any statutory modifications or re-enactment thereof for the time being in force) and subject to all applicable approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions, sanctions, consent of the Members of the Company

be and is hereby accorded to the Board of Directors to increase the total shareholding limit of foreign investment by Foreign Portfolio Investors ("FPIs") and/or Foreign Institutional Investors ("FIIs"), as defined and registered under the relevant regulations by the Securities and Exchange Board of India ("SEBI"), on their own account and on behalf of each of their SEBI approved sub-accounts, by whatever name called, to acquire and hold Equity Shares of the Company, by acquisition through secondary market route under the 'Foreign Portfolio Investment Scheme' under FEMA and regulations framed thereunder, up to an enhanced aggregate limit of 40% (forty percent) of the paid up equity share capital of the Company, provided however that the shareholding of foreign investors, including FPIs or FIIs, on its own account and on behalf of each of their SEBI approved sub-accounts in the Company, shall not exceed such limits as may be prescribed, from time to time, under applicable FEMA laws, rules and regulations."

"RESOLVED FURTHER THAT the Board of Directors of the Company (which shall include any Committee which the Board may constitute, or any Director / Officer authorised by the Board for this purpose) be and is hereby authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto without requiring to secure any further consent or approval of the Members of the Company"

By Order of the Board

Marcus Lobo
Company Secretary
FCS : 4256

Mumbai
May 28, 2019

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. 4 to 6 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 Thursday, July 11, 2019 to Friday, July 19, 2019, (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 July 19, 2019.
- (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 2011-12 is due for transfer to the said Fund in July, 2019.
- (G) Members who have neither received nor encashed their dividend warrant(s) for the financial years 2011-12 upto 2017-18, 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 2018-19 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 2018-19 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 33rd 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 July 16, 2019 (9:00 am) and ends on July 18, 2019 (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 July 12, 2019, 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 110757 then user ID is 110757001***

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.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
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, Manager, National Securities Depository Ltd., Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, at the designated email address: evoting@nsdl.co.in or at telephone no. +91 22 2499 4600 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 July 12, 2019.
- 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. July 12, 2019, 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 DIRECTOR BEING RE-APPOINTED:

Re-appointment of Mr. Keki M. Mistry (Item No 3)

Mr. Keki M. Mistry, the non-executive Chairman of the Company is the Vice Chairman & Chief Executive Officer of Housing Development Finance Corporation Limited (HDFC). He is a Fellow of the Institute of Chartered Accountants of India. He was also member of the Committee of Corporate Governance set up by the Securities and Exchange Board of India (SEBI). He is currently the Chairman of CII National Council on Corporate Governance and a member of Primary Markets Advisory Committee set up by the SEBI. Mr. Mistry serves as a director on the board of several companies including HDFC Bank Ltd., HDFC Life Insurance Company Ltd., HDFC ERGO General Insurance Company Ltd., HDFC Asset Management Company Ltd., Tata Consultancy Services Ltd., Greatship (India) Ltd., Torrent Power Ltd., Griha Pte Ltd., Singapore, CDC Group, London, Griha Investments, Mauritius, etc. He has been on the board of GRUH since 2000 and has been Chairman of the Company since 2002. He is a member of the Audit Committee, the Risk Management Committee (RMC), the Nomination and Remuneration

Committee and the Corporate Social Responsibility (CSR) Committee of GRUH. Mr. Keki M. Mistry holds 6,65,800 shares of the Company. Mr. Keki M. Mistry 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. 4 to 6 of the Notice.

Item No. 4

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 May 30, 2018, the members had approved borrowings by way of NCDs upto an amount not exceeding of ₹ 5,000 crore and unsecured redeemable subordinated debt upto amount of ₹ 100 crore, both aggregating to ₹ 5,100 crore, on a private placement basis. GRUH has during the year 2018-19, raised NCDs aggregating to ₹ 1,230.10 crore, through private placement.

As at March 31, 2019, the total borrowings of the Company of ₹ 16583.55 crore, are inclusive of Non-Convertible Debentures of ₹ 4305.10 crore and unsecured redeemable subordinated debt Tier II NCD of ₹ 35 crore. These borrowings are within the overall limits of ₹ 21,000 crore as approved by the members at the 32nd AGM 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.

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 limits of ₹ 21,000 crore as approved by the members at the 32nd AGM 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.

Accordingly the approval of the members is being sought by way of special resolution as set out at Item No. 4 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 tranches.

Your Directors recommend the passing of the special resolution proposed at Item No. 4 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.

Item No. 5

As per the provisions of Regulation 17 of SEBI (LODR) Regulations, 2015, all fees/ compensation, payable to Non-executive directors shall be fixed by the Board of Directors and shall require prior approval of shareholders in general meeting.

Pursuant to the same, the approval of the Members, is sought for payment of commission to Non-executive Directors as set out in the resolution at Item No. 5 of this Notice.

The Board recommends the resolution as set out at Item No. 5 for the approval of the Members.

All the Non-executive Directors and their relatives are deemed to be interested in the resolution set out at Item No. 5. None of the other directors or Key Managerial Personnel (KMP) of the Company or their relatives are in any way, financial or otherwise, concerned or interested in the said resolutions.

Item No. 6

As per the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 and the 'Consolidated FDI Policy' (issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India) ("FDI Policy"), the total investment by all Foreign Portfolio Investors ("FPIs") and Foreign Institutional Investors ("FIIs") registered with the Securities and Exchange Board of India ("SEBI"), including their subaccounts, under the portfolio investment scheme, cannot exceed 24% of the paid-up equity share capital of the Company. However, this limit of 24% can be increased upto the sectoral cap (permissible foreign investment limit for the sector in which the concerned company operates) with the approval of its Board of Directors and the Members by way of a Special Resolution.

The sectoral cap for your Company is 100% of its paid up share capital. As on May 17, 2019, the shareholding of FPIs/ FIIs in the Company was 12.13% of the paid-up equity share capital.

Further, as per the proposed Scheme of Amalgamation (Scheme) between the Company and Bandhan Bank Limited (Bandhan), the Reserve Bank of India (RBI) has granted its approval to Housing Development Finance Corporation Limited (HDFC), the promoters of the Company, to acquire and hold only upto 9.9% or less of the paid-up share capital of the Bandhan as against its entitlement of 14.96% of the paid up share capital of Bandhan, upon the Scheme becoming effective.

In view of the above directions of the RBI and based on the current share capital of the Company and Bandhan, HDFC would have to sell shares aggregating to approximately 17.85% of the paid-up share capital of the Company prior to the effective date of merger, so as to be entitled to 9.9% or less of the post-amalgamation paid-up share capital of Bandhan.

During the course of the said sale of shares of the Company by HDFC through stock exchanges, the limit of 24% for shareholding of FPIs/ FIIs may be triggered and therefore, it is proposed to increase the said to 40% of paid up equity share capital of the Company.

Accordingly, consent of the Members is sought by way of a Special Resolution for increasing the limit of shareholding by FPIs / FIIs from 24% to 40% of the paid up equity share capital of the Company. The Board recommends the passing of resolution as set out at Item No. 6 for approval by the Members as Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives, other than to the extent of their shareholding in the Company, if any, are in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 6 of this Notice.

By Order of the Board

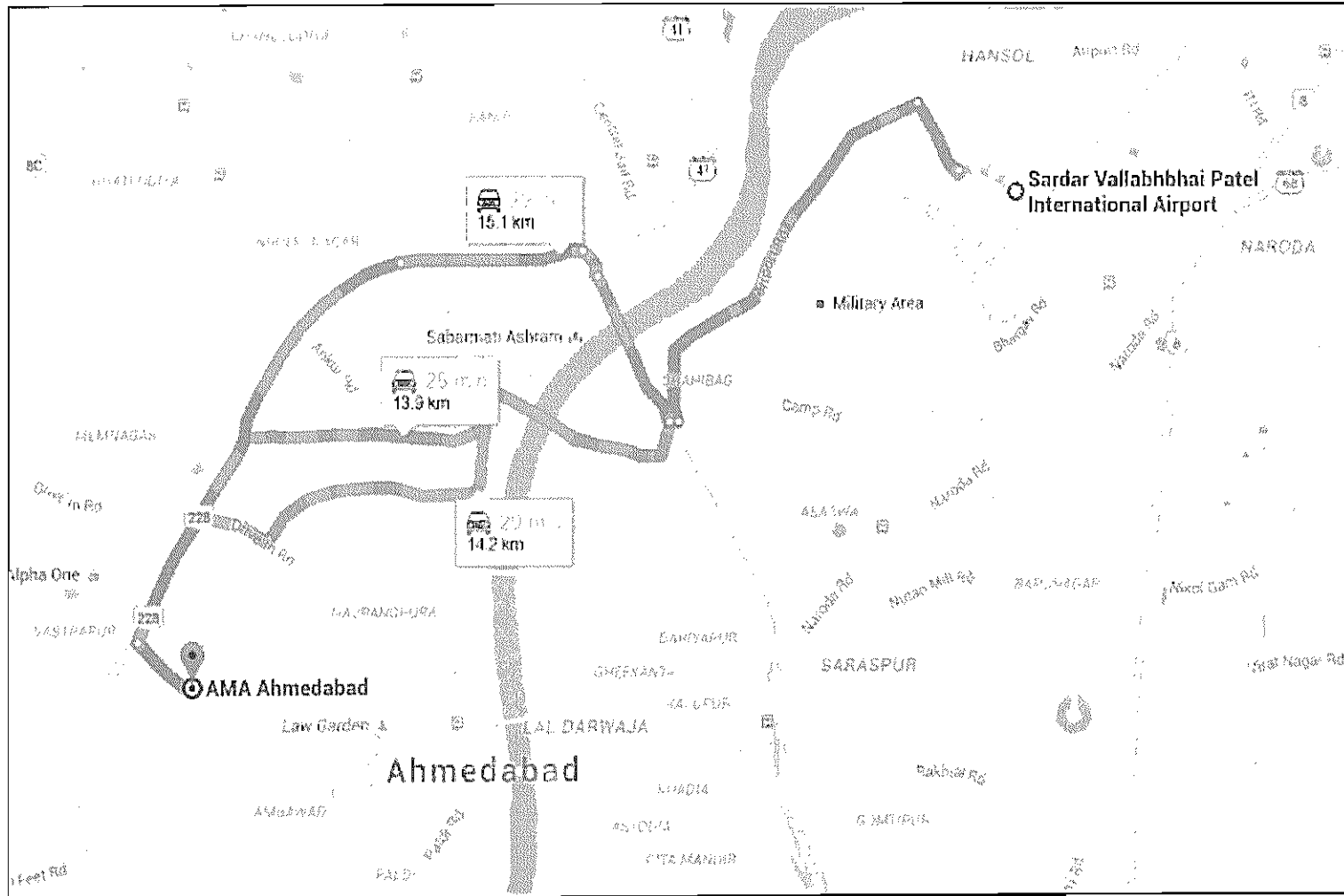
Mumbai
May 28, 2019

Marcus Lobo
Company Secretary
FCS : 4256

Details of Director seeking re-appointment at the 33rd Annual General Meeting scheduled to be held on July 19, 2019 (Pursuant, *inter alia*, to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015 and other requirements:

| | |
|--|--|
| Name of the Director | Mr. Keki M Mistry |
| DIN | 00008886 |
| Age | 64 years |
| Qualification | Fellow of The Institute of Chartered Accountants of India |
| Expertise in specific functional area | Mr. Keki M. Mistry, the non-executive Chairman of the Company is the Vice Chairman & Chief Executive Officer of Housing Development Finance Corporation Limited (HDFC). He is a Fellow of the Institute of Chartered Accountants of India. He was also member of the Committee of Corporate Governance set up by the Securities and Exchange Board of India (SEBI). He is currently the Chairman of CII National Council on Corporate Governance and a member of Primary Markets Advisory Committee set up by the SEBI. Mr. Mistry serves as a director on the board of several companies including HDFC Bank Ltd., HDFC Life Insurance Company Ltd., HDFC ERGO General Insurance Company Ltd., HDFC Asset Management Company Ltd., Tata Consultancy Services Ltd., Greatship (India) Ltd., Torrent Power Ltd., Griha Pte Ltd., Singapore, CDC Group, London, Griha Investments, Mauritius, etc. He has been on the board of GRUH since 2000 and has been Chairman of the Company since 2002. He is a member of the Audit Committee, the Risk Management Committee (RMC), the Nomination and Remuneration Committee and the Corporate Social Responsibility (CSR) Committee of GRUH. |
| Relationship with Directors and Key Managerial Personnel | None |
| No. of equity shares held as on March 31, 2019 | 6,65,800 |
| Terms and conditions of re-appointment | Non-executive Director, liable to retire by rotation. |
| Remuneration to be paid | Sitting fees for attending the Directors' meetings |
| Directorship of other listed companies as on March 31, 2019 | Equity Listed Companies 1. HDFC Limited 2. HDFC Bank Limited 3. HDFC Life Insurance Company Limited 4. Tata Consultancy Services Limited 5. Torrent Power Limited 6. HDFC Asset Management Company Limited Unlisted Companies 7. HDFC ERGO General Insurance Company Limited 8. Greatship (India) Limited |
| Chairmanship/ Membership of the Committee of the Board of Directors as on March 31, 2019 | |
| a) Audit Committee | • Torrent Power Limited (Chairman) • HDFC Life Insurance Company Limited (Member) • HDFC ERGO General Insurance Company Limited (Member) • HDFC Asset Management Company Limited (Member) • Greatship (India) Limited (Chairman) |
| b) Stakeholders' Relationship Committee | HDFC Life Insurance Company Limited (Chairman) |
| c) Nomination and Remuneration Committee | Greatship (India) Limited (Member) • HDFC Life Insurance Company Limited (Member) • HDFC ERGO General Insurance Company Limited (Member) |
| d) Corporate Social Responsibility Committee | HDFC Limited (Member) |

Route Map to the AGM Venue



GRUH FINANCE LIMITED

Regd. Office: "GRUH", Netaji Marg, Nr. Mithakhali Six Roads,
 Ellisbridge, Ahmedabad 380 006 • Phone : 079 2642 1671-75
 E-mail : investorcare@gruh.com • www.gruh.com
 CIN : L65923GJ1986PLC008809

PROXY FORM

Name of the member (s):
 Registered Address:
 E-mail ID:
 Folio No. / Client Id: DP ID:

I/We, being the member (s) holding equity shares of ₹ 2 each of GRUH Finance Limited, hereby appoint:

- Name : Address :
 Email Id : Signature :, or failing him;
- Name : Address :
 Email Id : Signature :, or failing him;
- Name : Address :
 Email Id : Signature :

And whose signature(s) are appended below, as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company, to be held on Friday, July 19, 2019 at 10:30 a.m. at H.T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad 380 015 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Sr. No. | Brief details of the Resolution | Optional* | | |
|------------|---|-----------|---------|---------|
| | | For | Against | Abstain |
| 1 | Adoption of the Audited Financial Statement and Reports of the Board of Directors and the Auditors thereon for the year ended March 31, 2019. | | | |
| 2 | Declaration of Dividend on Equity Shares. | | | |
| 3 | Appointment of Mr. Keki M. Mistry, (DIN 00008886), who retires by rotation and being eligible, offers himself for re-appointment. | | | |
| 4 | Special Resolution for Approval for issuance of Redeemable Non Convertible Debentures (NCDs) upto an amount not exceeding ₹ 5000 crore and issuance of Unsecured Redeemable Subordinated Debt – Tier II NCDs upto an amount of ₹ 100 crore (both aggregating to ₹ 5100 crore) on private placement. | | | |
| 5 | Special Resolution for approval for payment of Commission to Non-executive Directors | | | |
| 6 | Special Resolution for Increase in limit of total shareholding of all Registered Foreign Portfolio Investors (FPIs) / Registered Foreign Institutional Investors (FIIs) put together from 24% to 40% of the paid-up equity share capital of the Company. | | | |

Signed this _____ day of _____ 2019.

Signature of Member(s) : _____

(Affix Revenue Stamp)

Signature of the Proxy holder(s) : _____

Note :

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
 - A proxy need not be a member of the Company.
 - For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 33rd Annual General Meeting.
- * It is optional to put a "✓" in the appropriate column against the Resolutions indicated in the box. If you leave the "For", "Against" or "Abstain" column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/ she thinks appropriate.



We help you build homes

GRUH FINANCE LIMITED

Regd. Office: "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad- 380006

CIN: L65923GJ1986PLC008809, Website: www.gruh.com,

E-mail: investorcare@gruh.com, Phone: 079 – 2642 1671-75

ATTENDANCE SLIP – 33rd AGM

(To be handed over at the entrance of Meeting Hall)

Sr. No.

| | |
|--|--|
| Regd. Folio /DP ID & Client ID | |
| Name and Address of the Shareholder(s) | |
| Joint Holder 1 Joint Holder 2 | |
| No. of Shares | |

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the THIRTY THIRD ANNUAL GENERAL MEETING of the Company at H.T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad 380 015 on Friday, July 19, 2019 at 10:30 a.m.

| | |
|---|--|
| Full name of the Member/Proxy attending the Meeting | |
| Member's/Proxy's Signature | |

ELECTRONIC VOTING PARTICULARS

| EVEN (Electronic Voting Event Number) | User ID | Password |
|--|----------------|-----------------|
| 110757 | | |

Note: The Voting period starts from July 16, 2019 (9:00 a.m.) to July 18, 2019 (5:00 p.m.). The voting module shall be disabled by NSDL for voting thereafter.

Please read the instructions given under point no. (N) of the notice of 33rd Annual General Meeting of the Members of the Company carefully before exercising your vote electronically.