



## PNB Housing Finance Limited

Regd. Office: 9th Floor Antriksh Bhawan, 22 K G Marg, New Delhi-110001

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CIN: L65922DL1988PLC033856

### NOTICE OF POSTAL BALLOT

[Notice Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014]

Dear Members,

Notice is hereby given, pursuant to Section 110 of the Companies Act, 2013 (the "Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (the "Management Rules") including any statutory modification(s) or re-enactment(s) thereof for the time being in force, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "Listing Regulations") and other applicable provisions, if any, for seeking approval of the members of PNB Housing Finance Limited ("the Company") on the resolutions as appended below to be passed by way of Postal Ballot which includes voting by electronic means. The Explanatory Statement pursuant to section 102 of the Act pertaining to the said resolutions setting out the material facts and the reasons thereof is annexed here to along with a Postal Ballot Form.

Pursuant to Rule 22(5) of the Management Rules, the Company has appointed Mr. Sanjay Grover, (Membership No. FCS 4223; C.P No. 3850), Managing Partner, M/s Sanjay Grover and Associates, Practicing Company Secretaries, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The Members holding equity shares of the Company are requested to carefully read the instructions enclosed with the Postal Ballot Form sent herewith and return the said Form duly completed in the attached self-addressed, postage prepaid envelope, if posted in India, so as to reach the Scrutinizer not later than closure of working hours i.e. 5.00 pm IST on December 13, 2017. Please note that any Postal Ballot Form(s) received after the said date will be treated as not having been received. The post age will be borne and paid for by the Company.

In accordance with Regulation 44(1) of Listing Regulations and Section 108, 110 of the Act read

with Rule 20, 22 of Management Rules, the Company is pleased to offer facility of voting by electronic means ("remote e-voting") as an alternate to its Members to enable them to cast their votes through remote e-voting instead of returning duly filled Postal Ballot forms. The Members holding equity shares of the Company are requested to follow the procedure as stated in the notes and instructions for casting of votes by e-voting. The Members holding equity shares of the Company have both the options of voting i.e. by remote e-voting and through Postal Ballot Form.

Upon completion of the scrutiny of the Postal Ballot Forms and votes cast through remote e-voting, the Scrutinizer will submit his report along with scrutinizer register and other related papers to the Chairman of the Company or in his absence any official of the Company as authorised. The results of the Postal Ballot will be announced by the Chairman of the Company or in his absence any officials of the Company as authorized on or before December 15, 2017 and will be communicated to BSE Limited (the "BSE") and National Stock Exchange of India Limited (the "NSE"), (the "Stock Exchanges") where the equity shares of the Company are listed. The results of the Postal Ballot will also be displayed on the Company's website (www.pnbhousing.com) and on the website of Central Depository Services (India) Limited ("CDSL").

#### Proposed Resolutions

#### **1. Approval of ex-gratia payment to the senior management team**

**To consider and if thought fit to pass the following resolution as Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Regulation 26(6) & other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, Foreign Exchange Management Act, 1999 and Regulations framed thereunder and such other laws as may be applicable, including any amendments thereto or re-enactment thereof for the time being in force, the consent of shareholders of the Company be and is hereby accorded to the proposal received from Destimoney Enterprises Limited, Mauritius (“DEL-Mauritius”), appreciating the efforts of the senior management team of the Company and proposing to make certain ex-gratia payments as per the method and criteria to be decided by the Board and/ or its delegated Committee.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

## 2. APPROVAL OF PAYMENT OF COMMISSION TO INDEPENDENT DIRECTORS

**To consider and if thought fit to pass the following resolution as Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (“the Act”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), as per Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such other approval(s), permission(s) and sanction(s) as may be required, consent of the Members of the Company be and is hereby accorded to the payment of commission (in addition to the sitting fee(s) and re-imburement of expenses for attending the meetings of the Board of Directors or Committees thereof), for a period of 5 (five) years, commencing from 1st April, 2017 to the Independent Directors of the Company as the Board of Directors may from time to time determine, provided that the total commission payable to the Independent Directors, per annum, shall not exceed 0.25% of the Net Profits of the Company for that financial year, as computed in the manner laid down in section 198 of the Act, with the authority to the Chairman of the Board to determine the manner and proportion in which the amount be

distributed amongst the Independent Directors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

### Regd. Office:

9<sup>th</sup> Floor,  
Antriksh Bhawan, 22,  
Kasturba Gandhi Marg,  
New Delhi – 110 001

By order of the Board  
For **PNB HOUSING FINANCE LIMITED**  
**Sanjay Jain**  
**Company Secretary and**  
**Head Compliance**  
**Membership No F2642**

Date: October 25, 2017

Place: New Delhi

### Notes:

1. A Statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013 and rules made thereunder stating material facts and reasons for the proposed resolutions are annexed here to.
2. The Postal Ballot Notice is being sent to all the Members, whose names appear on the Register of Members/ List of beneficial owners as received from National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) as on the close of business hours on November 3, 2017 (‘Cut-off date’). A person who is not a member on the relevant date should treat this notice for information purpose only.
3. The notice is being sent by electronic mode to those members, whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. Members may note that this notice will be available on the Company’s website [www.pnbhousing.com](http://www.pnbhousing.com)
4. In compliance with the provisions of Sections 108 and 110 of the Act and Rule 20 and 22 of the Rules, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide voting by electronic means (“remote e-voting”) facility to

the Members, to enable them to cast their votes electronically. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide e-voting facility to its Members.

5. Each Member can opt for only one mode of voting i.e. either by physical postal ballot or by Evoting. In case Members cast their vote by both physical postal ballot and E-voting, it may be noted that votes cast by them through E-voting shall prevail and votes cast by Physical Postal Ballot will be treated as invalid.
6. Dispatch of the Postal Ballot Notice and the Explanatory Statement shall be announced through an advertisement in at least 1 (one) English newspaper and at least 1 (one) Hindi newspaper, each with wide circulation in the State of Delhi, where the registered office of the Company is situated, and published on the Company's website.
7. Members desiring to exercise their vote by physical Postal Ballot are requested to return the said Form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer Mr. Sanjay Grover, (Membership No. FCS 4223; C.P No. 3850), Managing Partner, M/s Sanjay Grover and Associates, Practicing Company Secretaries, so that it reaches the Scrutinizer not later than by 5.00 p.m. IST on December 13, 2017. The postage will be borne by the Company. Any delay, it will be considered that no reply from the Member has been received. Additionally, please note that the Postal Ballot Forms shall be considered invalid if (i) it is not possible to determine without any doubt the assent or dissent of the Member, and/ or (ii) a competent authority has given directions in writing to the Company to freeze the voting rights of the Member, and/ or (iii) it is defaced or mutilated in such a way that its identity as a genuine form cannot be established; and/ or (iv) the Member has made any amendment to the resolutions set out herein or imposed any condition while exercising his vote.
8. The e-voting period commences on November 14, 2017 (10.00 a.m. IST) and ends on December 13, 2017 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on November 3, 2017

i.e. Cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting and the voting will not be allowed thereafter. Once the vote on resolutions is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.

#### 9. **Voting through electronic means**

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders / Members
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:
  - a) Enter your 10 digit alpha-numeric PAN issued by Income Tax Department in upper case (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
  - b) Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN relevant for PNB Housing Finance Limited.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xviii) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
10. The result will be submitted to the Stock Exchanges where shares of the Company are listed and will also be published in at least 1 (one) English and

1 (one) vernacular news paper circulating in the state of Delhi. The result of the Postal Ballot will also be displayed along with the Scrutinizers' Report on website of the Company.

11. Notice of Postal Ballot along with Postal Ballot Form containing the process, instructions and the manner of conducting E -voting is being sent electronically to all the Members whose email ID's are registered with the Company / Depository Participant(s). For Members who request for a hardcopy and for those who have not registered their email addresses, physical copies of the same are being sent through the permitted mode.
12. All the relevant documents referred to in the accompanying Notice and the Explanatory Statement will be open for inspection by the Members at the Registered Office of the Company during working hours on all working days, except Saturday between 11:00 a.m. and 1:00 p.m. upto the date of declaration of the result of Postal Ballot.
13. In case of shares held by companies, trusts, societies etc., the duly completed postal ballot form should be accompanied by a certified true copy of board resolution/authority to vote on the postal ballot. A member may sign the form through an attorney appointed specifically for this purpose, in which case an attested true copy of the power of attorney should be attached to the postal ballot form.

## **EXPLANATORY STATEMENT**

**(Pursuant to the provisions of Section 102 of the Companies Act, 2013)**

### **ITEM NO. 1**

Destimoney Enterprises Limited, Mauritius (DEL-Mauritius) has proposed to make ex-gratia payment of INR 62 million (approximately), to the identified individuals forming part of the senior management team of the Company.

DEL-Mauritius was earlier holding 49% shares in the Company through its downstream Indian Subsidiary, namely M/s Destimoney Enterprises Limited (DEL-India). It transferred its entire stake in favour of Quality Investment Holdings, Mauritius (QIH). DEL Mauritius has stated in their communication that their investment in the Company had substantially appreciated over the years and it has received an excellent return on such investment upon sale of such

investment to QIH. It has hence proposed to make ex-gratia payment of INR 62million (approximately) for appreciating the senior management team for their strong leadership, strategic direction, organizational vision as well as for meeting overall goals, which have helped the Company in not only emerging as one of the largest housing finance companies in India but also the listing of its shares on BSE Limited and National Stock Exchange of India Limited.

Regulation 26(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") mandates that no employee (including key managerial personnel or director or promoter) is to enter into any agreement with any shareholder (of the listed entity) or any other third party for compensation or profit sharing in connection with dealings in the securities of the listed entity, unless prior approval of the Board of Directors as well as public shareholders by way of an ordinary resolution, has been obtained for the purpose.

Sub-Regulation (6) presupposes that compensation is to be received from a shareholder or a third party in connection with dealing in securities of the said listed company. The shares of DEL-India were transferred to QIH by DEL-Mauritius and there has been no direct dealing in the securities of the Company either by DEL-India or DEL-Mauritius. However, the principal assets of DEL-India were shares of the Company, the payment is indirectly covered under the provisions of Regulation 26(6) of Listing Regulations.

The approval of the shareholders of the Company by ordinary resolution is required under Regulation 26(6) of the Listing Regulations. Hence, the resolution is proposed for consideration and approval of the shareholders.

The key managerial persons (including Managing Director) and the senior management team who will be identified for receipt of ex-gratia amount are concerned or interested in passing of the resolution. None of the other Directors/ Key Managerial persons, and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolutions.

The Board of Directors recommends the resolution at item No. 1 of this Notice for approval by the shareholders by way of an Ordinary Resolution.

### **ITEM NO. 2**

Section 197 of the Companies Act, 2013 (the Act)

provides for payment of remuneration to the directors who are neither Managing Directors nor Whole-Time Directors (i.e. non-executive directors) up to 1% of the net profits of the Company (overall limits).

As per Regulation 17(6)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board of Directors shall recommend all fees or compensation, if any, paid to non-executive directors, including independent directors and shall require approval of shareholders.

The responsibilities and duties of the Directors have been considerably enhanced under the Companies Act, 2013. The Company requires strategic guidance of Directors and greater engagement in terms of their attention and involvement in the decision-making process.

The Company now seeks the approval of shareholders for payment of commission to the Independent Directors considering their continuous and valuable contribution in directing the strategy of the Company as may be decided by the Board from time to time. The maximum commission payable in a financial year shall be restricted to 0.25% of the profits as computed under section 198 of the Companies Act, 2013.

The said remuneration to Independent Directors, shall be in addition to the sitting fee payable to them for attending meetings of Board and Committees thereof.

All Independent Directors of the Company are deemed to be interested in the resolution.

None of the other Directors, Key Managerial Personnel of the Company / their relatives is, in any way, are concerned or interested, financially or otherwise, in the proposed resolution.

The Board of Directors recommends the resolution at item No. 2 of this Notice for approval by the shareholders by way of an Ordinary Resolution.

**Regd. Office:**

9<sup>th</sup> Floor,  
Antriksh Bhawan, 22,  
Kasturba Gandhi Marg,  
New Delhi – 110 001

By order of the Board  
For **PNB HOUSING FINANCE LIMITED**

**Sanjay Jain**  
**Company Secretary and**  
**Head Compliance**  
**Membership No F2642**

Date: October 25, 2017  
Place: New Delhi