



DEWAN HOUSING FINANCE CORPORATION LIMITED

Corporate Identification Number (CIN) – L65910MH1984PLC032639
Corporate Office : TCG Financial Centre, 10th Floor, BKC Road, Bandra Kurla Complex, Bandra (East), Mumbai – 400051,
Tel. : (022) 6600 6999, Fax: (022) 6600 6998
Registered Office : Warden House, 2nd Floor, Sir P. M. Road, Fort, Mumbai - 400 001.
Toll Free No. 1800 22 3435, Customer Care No. : (0124) 4092750, Visit us at : www.dhfl.com, email – response@dhfl.com

Notice of Postal Ballot

(Pursuant to Section 110 of the Companies Act, 2013)

Dear Member(s),

Notice is hereby given, to the Members of Dewan Housing Finance Corporation Limited for passing the following Special Resolution through Postal Ballot process pursuant to Section 110 of The Companies Act, 2013, read with Rule 22 of The Companies (Management and Administration) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force).

In accordance with Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 for passing of Resolutions, consent of the members is sought by way of Postal Ballot. Accordingly, resolution and explanatory statement setting out the material facts and related particulars with reference thereto, are enclosed along with a Postal Ballot Form for your consideration.

Mrs. Jayshree S. Joshi, Proprietress of M/s. Jayshree Dagli & Associates, Practising Company Secretaries, Mumbai has been appointed as Scrutinizer for conducting the postal ballot process and also to scrutinize the e-voting process in a fair and transparent manner.

You are requested to read instructions carefully printed on the Postal Ballot Form and return the Postal Ballot Form (no other form or photocopy thereof is permitted) duly completed, indicating your assent (FOR) / dissent (AGAINST) for the resolution in the attached business reply envelope so as to reach the Scrutinizer on or before the close of working hours on Saturday, 6th September, 2014 by 6.00 p.m. Please note that any Postal Ballot Form(s) received after closing hours of the said date will be treated as not having been received.

E-voting Option:

In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014 and the Listing Agreement with Stock Exchanges, the Company is pleased to provide to the members, with the facility to exercise their right to vote on the matter included in the Postal Ballot by electronic means i.e. through e-voting services provided by National Securities Depository Limited (NSDL). The e-voting period commences on Friday, 8th August, 2014 (9 a.m.) and ends on Saturday, 6th September, 2014 (6.00 p.m.). Please read carefully and follow the instructions on e-voting as printed in this notice.

The Scrutinizer will submit her Report to the Chairman & Managing Director of the Company after completion of the scrutiny of the postal ballots received in physical form and through e-voting process and the results thereof will be announced on Wednesday, 10th September, 2014, at 11.00 a.m., at the Registered Office of the Company at Second Floor, Warden House Sir P. M. Road, Fort, Mumbai 400001. The result of the Postal Ballot shall also be displayed at the said address and posted on the Company's website i.e. www.dhfl.com besides communicating to BSE Limited and National Stock Exchange of India Limited. The results of the postal ballot shall also be announced through newspaper advertisement.

SPECIAL BUSINESS:

1. ISSUE OF NON-CONVERTIBLE DEBENTURES ON PRIVATE PLACEMENT BASIS

To consider, and if thought fit, to pass, the following resolution as Special Resolution:

“RESOLVED THAT in partial modification of the Special Resolution passed by the members through Postal Ballot on 12th June, 2014, for issue of Securities on private placement basis, consent of the Company be and is hereby accorded in terms of Section 42 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under {including any statutory modification(s) or re-enactment(s) thereof} and in accordance with (i) the provisions of SEBI (Issue & Listing of Debt Securities) Regulations, 2008 and amendment thereto; (ii) the Securities Contracts (Regulation) Act, 1956; (iii) the Memorandum and Articles of Association of the Company; and (iv) the Listing Agreement entered into/to be entered into by the Company with the National Stock Exchange of India Limited (“NSE”)/ BSE Limited (“BSE”); (v) Housing Finance Companies Issuance of Non- Convertible Debentures on Private Placement Basis (NHB) Directions, 2014 and subject to the consent and such other approvals, permissions and sanctions as may be necessary and as per Housing Finance Companies (NHB), Directions, 2010 to the Board of Directors of the Company to issue further securities during a period of one year, commencing from the date of declaration of result of this Postal Ballot Resolution, by way of (a) Non-Convertible Secured Debentures, upto an additional amount of ₹15,500 crore, (b) Non- Convertible Subordinated Unsecured Debentures upto an additional amount of ₹ 500 crore, (c) Non- Convertible Perpetual Unsecured Debentures, upto an additional amount of ₹ 300 crore, to Scheduled Commercial Banks; Financial Institutions, Insurance Companies, Primary/State/ District/Central Co-operative Banks (subject to permission from RBI), Regional Rural Banks, Mutual Funds, Companies, Bodies Corporate authorized to invest in Debentures, Provident Funds, Superannuation & Pension Funds, subject to their Investment guidelines, Trust and any other investor category eligible

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to invest subject to current applicable rules, act, laws, etc. (the subscriber) on Private Placement Basis, inter alia, from time to time, in one or more combination, as may be deemed appropriate by the Board, such issue and allotment to be made at such time or times, in one or more tranches, under one or more shelf disclosure document/s and/ or one or more offer letter/s, at such price or prices, at such rate of interest, that may range between 9.50% - 12.50% as may be decided by and deemed appropriate by the Board as per applicable laws and depending upon the prevailing yields, systematic liquidity tenure and market conditions including the discretion to determine the categories and combination of investors to whom the offer, issue and allotment shall be made also considering other relevant factors and wherever necessary in consultation with lead manager(s), financial advisor(s), underwriter(s), legal advisor(s) and / or any other agency, as the Board may in its absolute discretion deem fit and appropriate .”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution the Board of Directors of the Company be and is hereby authorized, to approve, decide, vary or modify the terms and conditions applicable to the issue of aforesaid securities and to do all such acts, deeds, matters and things as they may, in their absolute discretion deem necessary, desirable or expedient for any offer, issue, allotment of the aforesaid Securities, including but not limited to the listing with the stock exchanges and to resolve and settle all questions and difficulties that may arise in the proposed offer, issue and allotment of the aforesaid Securities, and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to delegate such powers to any Committee of the Board as it may deem necessary or appropriate in relation to allotment of aforesaid securities issued on private placement basis.”

By Order of the Board

Sd/-
Niti Arya
Company Secretary

Registered Office:

Warden House, 2nd Floor,
Sir P. M. Road, Fort,
Mumbai - 400 001

Dated: 24th July, 2014

NOTES:

1. The Explanatory Statement and reasons for the proposed Special Resolution pursuant to Section 102 of the Companies Act, 2013 read with Section 110 of the Companies Act, 2013 setting out material facts is annexed to this Notice.
2. The Notice will be 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 Friday, 1st August, 2014. The voting shall be reckoned in proportion to the paid up equity share capital held by the Members as on Friday, 1st August, 2014.
3. In compliance with the provisions of section 108 of Companies Act, 2013, and Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to members, facility to exercise their right to vote on the resolution sent through the Postal Ballot by electronic means i.e. through e-voting services provided by National Securities Depository Limited (NSDL).
4. The Company has appointed Mrs. Jayshree S. Joshi, Proprietress of M/s. Jayshree Dagli & Associates, Practising Company Secretaries, Mumbai as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.
5. Members desiring to exercise their vote by Postal Ballot are requested to read carefully the instructions printed in the Postal Ballot Form.
6. The members who are voting through physical Postal Ballot form must return the same duly completed in the attached self-addressed postage pre-paid Business Reply Envelope. An unsigned Postal Ballot Form will be rejected. Postage will be borne and paid by the Company. However, Postal Ballot(s), if sent by courier or by registered post at the expense of the Member(s) will also be accepted. The Postal Ballot(s) may also be deposited personally. The Postal Ballot(s) should reach the Scrutinizer not later than the close of working hours i.e. 6.00 p.m. on Saturday, 6th September, 2014 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member.
7. Members who are voting through electronic means are required to cast their vote electronically by 6.00 pm on Saturday, 6th September, 2014 as e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member of the Company, the member shall not be allowed to change it subsequently.
8. In case, shares are jointly held, for the members voting through physical Postal Ballot Form, this form should be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his/her absence, by the next named Member and for the members voting through electronic means, e-voting to be done by the first named member and in his/her absence by the next named member.

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9. In case of shares held by companies, trusts, societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution/ Authority letter together with attested specimen signature(s) of the duly authorized signatory/ies, giving requisite authority to the person voting on the Postal Ballot Form, in case the voting is done in the physical form. In case the said members are voting through electronic means, they are requested to send the aforesaid documents together with the specimen signature of authorized signatory to the scrutinizer through e-mail at (i) jayshreedagli@gmail.com or (ii) jayshreedagli@rediffmail.com and with a copy marked to “e-voting@nsdl.co.in”.
10. A member may request for duplicate Postal Ballot Form, if so required. However, the duly filled in and signed duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified at instruction No. 6 above. Unsigned Postal Ballot form shall be rejected.
11. For member voting through the physical Postal Ballot form, a tick (✓) mark should be placed in the relevant box signifying assent / dissent for the resolution, as the case may be, before mailing the Postal Ballot Form.
12. The vote (through physical/e-voting) in this Postal Ballot Process cannot be exercised through proxy.
13. Kindly note that members can opt only one mode of voting i.e. either by Postal Ballot form or e-voting. In case of receipt of vote by both the modes, voting through e-voting shall prevail and voting by Postal Ballot shall be treated as invalid.
14. The Scrutinizer will submit her report to the Chairman & Managing Director after scrutiny of the Postal Ballot forms and voting by the members through electronic means and the result of the Postal Ballot shall be declared by the Chairman, or in his absence, by any other person authorized by the Chairman & Managing Director, on Wednesday, 10th September, 2014 at 11.00 a.m. at the Registered Office of the Company at Warden House, 2nd Floor, Sir P.M. Road, Fort, Mumbai – 400 001. The resolution will be taken as passed effectively on the date of announcement of the result by the Chairman & Managing Director or by the authorized person, if the result of the Postal Ballot indicates that the requisite majority of the Members had assented to the resolution. Members, who wish to be present at the venue at the time of declaration of the result, may do so. The result of the Postal Ballot shall also be announced through newspaper advertisement and shall be posted on the website of the Company www.dhfl.com, besides communications to the BSE Ltd. and the National Stock Exchange of India Ltd.
15. All relevant documents referred in the Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days during normal business hours, up to the date of declaration of the result of Postal Ballot.
16. Members may also note that the Notice of Postal Ballot will also be available on the Company’s website i.e. www.dhfl.com for their downloading.
17. Electronic copy of the postal ballot notice inter-alia indicating the process and manner of e-voting along with Postal Ballot Form will be sent through e-mail to all the members whose e-mail id are registered with the company / depository participants for the communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copy of the notice of the postal ballot inter-alia indicating the process and manner of e-voting is being sent in the permitted mode.
18. Members are requested to fill in the Postal Ballot Form in indelible ink and not in any erasable writing mode.
19. The Scrutinizer’s decision on the validity or otherwise of the Postal Ballot will be final.

By Order of the Board

Sd/
Niti Arya
Company Secretary

Registered Office:

Warden House, 2nd Floor,
Sir P. M. Road, Fort,
Mumbai - 400 001

Dated: 24th July, 2014

**ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**

Item No. 1

Issue of Non-Convertible Debentures on Private Placement Basis

The Company has been issuing Secured Redeemable Non-Convertible Debentures, Unsecured Non-Convertible Redeemable Debentures (in the nature of Subordinate Debt), Non Convertible Perpetual Unsecured Debentures, and Commercial Paper (herein after referred as Securities) on private placement basis for raising funds.

Section 42 of the Companies Act, 2013, and the Rules made thereunder, notified on 1st April, 2014, requires that for issue of securities on private placement basis, the Company is required to obtain prior approval of the members of the Company by way of Special Resolution.

Pursuant to the Special Resolution passed through Postal Ballot, dated 12th June, 2014, the members of the Company had approved issuance of (a) Non-Convertible Secured Debentures upto an amount of ₹ 4,500 crore, (b) Non-Convertible Subordinated Unsecured Debentures upto an amount of ₹ 500 crore, (c) Non Convertible Perpetual Unsecured Debentures upto an amount of ₹ 200 crore, (d) Other hybrid instruments which can be classified as Tier II, as per the limits prescribed by NHB Guidelines, in one or more tranches, and at such price or prices, at such rate of interest as may be decided by and deemed appropriate to the Board. Further the Board was authorized to issue Commercial Papers on private placement basis upto a maximum extent of ₹ 4,500 crore at any given point of time at the prevailing market/negotiated price and tenure as may be decided by the Board of Directors of the Company, during the financial year, 2014-15.

In terms of the said Special Resolution, during the period commencing from 1st April, 2014 to 24th July, 2014, the Board of Directors have issued the following securities on private placement basis, which were duly subscribed, as per the details metioned below :

- (a) Non-Convertible Secured Debentures amounting to ₹ 1,809 crore
- (b) Other hybrid instruments which can be classified as Tier II amounting to ₹ 1,774 crore

During the month of June, 2014, the Credit Analysis & Research Ltd. (CARE) has upgraded the Company's long term credit rating from AA+ to AAA. This provides an opportunity to the Company to minimize its reliance on term loan borrowings from the bank/s & financial institution/s and to issue long term NCDs at competitive rates; which will reduce its weighted average cost of borrowings.

Thus, the approval of the members is being sought for further issue of (a) Non-Convertible Secured Debentures amounting to ₹ 15,500 crore, (b) Non-Convertible Subordinated Unsecured Debentures, amounting to ₹ 500 crore, (c) Non Convertible Perpetual Unsecured Debentures amounting to ₹ 300 crore, during the period of one year, commencing from the date of declaration of result of this Postal Ballot Resolution, as per Housing Finance Companies (NHB), Directions, 2010, in one or more tranches, under one or more Shelf Disclosure Document(s) and / or one or more Offer Letter(s) and at such price or prices, at such rate of interest ranging between 9.50% - 12.50% as may be decided by and deemed appropriate to the Board, as per applicable laws and depending upon the prevailing yields, systematic liquidity tenure and market conditions including the discretion to determine the categories and combination of investors to whom the offer, issue and allotment shall be made, also considering other relevant factors and wherever necessary in consultation with lead manager(s), financial advisor(s), underwriter(s), legal advisor(s) and / or any other agency, as the Board may in its absolute discretion deem fit and appropriate.

The issue of above mentioned securities shall be in compliance with the provisions of Section 42 of the Companies Act, 2013 and Rules made thereunder and as per Housing Finance Companies Issuance of Non-Convertible Debentures on Private Placement Basis (NHB) Directions, 2014.

Your Directors recommend the passing of Special Resolution proposed at item number 1 of this Postal Ballot Notice.

None of the Promoters, Directors, Managers and any other Key Managerial Personnel of the Company and their relatives, either directly or indirectly, is/are concerned or interested, in the above referred Resolution.

By Order of the Board

Sd/-
Niti Arya
Company Secretary

Registered Office:

Warden House, 2nd Floor,
Sir P. M. Road, Fort,
Mumbai - 400 001

Dated: 24th July, 2014