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Minutes of the Twenty-Seventh Annual General Meeting of the members of Can Fin Homes Ltd., held on Wednesday, July 30, 2014 at 11.00 am at the J.S.S.Shivarathreeswara Centre Auditorium, 1st main, 8th block, Jayanagar, Bengaluru-560 082.

PRESENT

- (a). Shri K.N.Prithviraj Chairman
(b). Shri C.Ilango Managing Director
(d). Shri K.R.Vijayendra, Director
(e). Shri P.B.Santhanakrishnan, Director
(f). Shri S.A.Kadur, Director
(f). Shri T.V.Rao, Director
(g). 388 members in person and 36 persons by Proxy.

IN ATTENDANCE

Mr. K.S.Sathyaprakash, Asst. General Manager & Company Secretary.

ON INVITATION:

1. Shri K.Surya Prakash and Shri K.Viswanath, Chartered Accountants, and Partners, M/s.K.P.Rao & Co., Bangalore, Statutory Auditors of the Company.
2. Shri K.S.Sudhindra, FCS, Practising Company Secretary.

Mr.K.S.Sathyaprakash, AGM & Company Secretary welcomed all the members present in person and by proxy, the Chairman, the Managing Director, Directors of the Company, Executives from Canara Bank, authorised Institutional Representatives including those from Canara Bank, Statutory Auditors, all the dignitaries and invitees present at the Meeting. Quorum being present the Company Secretary requested Shri K.N.Prithviraj, Chairman, to preside over the Meeting and commence the proceedings of the Day.

Shri K.N.Prithviraj, Chairman of the Board of Directors of the Company, presided over the Meeting.

1. Quorum being present, the Chairman called the Meeting to Order.
2. Shri K.N.Prithviraj, Chairman, welcomed all the members present in person and by proxy, Directors of the Company, authorised institutional representatives and executives from the Sponsor Bank, dignitaries and all the invitees present at the Meeting. The Chairman introduced the Directors to the Members.
3. Shri K.N.Prithviraj, Chairman, presented the Chairman's Statement.
4. With the permission of the Members present at the Meeting, the Notice of the Twenty-Seventh Annual General Meeting of the Company dated June 04, 2014 together with the related explanatory statement(s), were taken as read.
5. As directed by the Chairman, Shri K.S.Sathyaprakash, AGM & Company Secretary, read the Auditors' Report dated April 26, 2014 for the financial year 2013-14, issued by M/s.K.P.Rao & Co., Bangalore, Chartered Accountants and Statutory Auditors of the Company. As desired by



the members and with the permission of the Chairman and the members present at the Meeting, the annexure to the Auditors' Report was taken as read.

6. The Chairman informed the members that:

"(a). In terms of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the listing agreement(s), the Company is pleased to provide the e-voting facility to all its members, who had given/registered their e-mail ids with the Company/their Depository Participants, to enable them to vote on all the agenda placed before the 27th Annual General Meeting (AGM) by electronic means, through the platform provided by the National Securities Depository Ltd., (NSDL) and the related communication had been sent to the respective shareholders. A notification to this effect was published in an English and a Kannada newspaper on 18/07/2014 and was also published on the website of the Company. The e-Voting was held from 24/07/2014 to 26/07/2014.

(b). In terms of the applicable provisions of the Companies Act, 2013, voting by 'show of hands' was not permissible at the general meetings and therefore it had become necessary to conduct the Poll at the AGM in respect of the agenda placed before the AGM. He informed that the Company had provided voting facility by POLL at the venue of the AGM to all the members who have not voted electronically, to enable them to vote on all the agenda placed before the members for approval. He informed further that for the purpose the Company had appointed Mr.K.S.Sudhindra, a Practising Company Secretary, representing M/s.S.Kedarnath Associates, Company Law Advisors and Company Secretaries, Bangalore, as the scrutinizer for the e-voting process including the POLL at this AGM in a fair and transparent manner. The Chairman informed that with regard to electronic voting, the scrutinizer had submitted his report within 3 working days from the conclusion of e-voting period viz., 26/07/2014.

(c). The POLL sheets/Ballot Papers, serially numbered, are provided to all the members/proxies present at the AGM here and they were requested to fill up all the particulars, record their votes as per their choice, complete the POLL sheets in all respects and drop in the Ballot boxes made available at the venue.

(d). The Polling will close on completion of voting by all the members present at the meeting or on declaration of the meeting 'as closed' by the Chairman, whichever is later and requested the members to extend their cooperation and support for the completion of the process of POLLING.

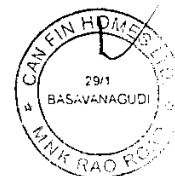
(e).The consolidated results of e-voting and the voting by POLL will be declared and the same along with the scrutinizers report will be placed on the website of the Company and the website of the National Stock Exchange of India, Bombay Stock Exchange Ltd., and on the website of the NSDL on 01/08/2014.

(f). The Chairman requested the scrutinizer to open and show the empty ballot boxes in the presence of two witnesses and lock it and after completion of voting by all the members/valid proxies present at the Meeting the same be handed over to the Company after preparation and submission of the Scrutinizer's Report."

7. The Agenda items were taken-up for consideration in the order set-out in the Notice of Annual General Meeting dated June, 04, 2014.

Agenda No.1

To receive, consider and adopt the audited financial statements, including Balance Sheet as at March 31, 2014 and statement of the Profit and Loss account for the year ended that date together with the Reports of the Directors and Auditors.



The Chairman announced that any member(s) interested to speak on the subject, raise questions/seek clarifications on the subject was most welcome and the details of the discussion(s) and the replies thereon given by the Chairman are given here below:

(1).Shri Manjunath R (120384000026133) congratulated the Board of Directors, the Managing Director and his team for the excellent performance of the Company during 2013-14. He informed that as at the end of 2013-14, the Net Interest Margin (NIM) and Capital Adequacy Ratio (CAR) had come down which needed to be addressed. He suggested that considering the holding of equity shares of the Company by the members since many years, the shareholders might be rewarded by issue of Rights-cum-Bonus shares.

(2).Shri H.V.Naga Brahma (IN 12044500/00111853) said that despite a very tough and challenging environment, the Managing Director and his team had recorded an all-round performance in the history of Can Fin Homes Ltd., and conveyed his congratulations and wished that the Company would keep-up the performance level in future also. The following queries were raised by him seeking replies:

(i). In the wake of the Reserve Bank of India had issuing guidelines for issue of Bonds by the banks which did not require maintenance of SLR and other requirements which would enable banks to lend more to the housing sector and as such whether the Company foresees more competition from banks.

(ii). Percentage of loans extended against property and loans extended to builders.

(iii). The Return on Average Asset (ROA) had reduced from 1.75% in 2011-12 to 1.53% in 2013-14 and desired to know how much of the reduction in ROA was relating to new branches.

(iv). The Company was expanding at a faster rate and was recruiting people from out-side and desired to know how the Company was ensuring adherence to sound practices and procedures by those new branches. He further wanted to know whether the Company was contemplating to sell any other financial products, in addition to Home Loan, since the number of branches of the Company had crossed 100.

(v). The steps taken by the management to bring down the cost of funds and whether the Company would be able to maintain the performance of the previous year in 2014-15 also.

(vi).Tenure of the Managing Director.

(3). Shri Shridhar Shankar (30051310823665) suggested that the Company could follow the QIP route for issue of equity shares instead of the proposed Rights Issue of shares.

(4). Shri Srinivasa Bhat (S02136) desired to know whether there would be any impact on business of the Company due to non-introduction of the Real Estate Regulatory Bill, which was yet to be enacted.

(5). Shri Balakrishna (IN 302183/135613585656) desired to know about the CSR activities taken-up by the Company.

(6). Shri Lakshminarayanan (1002426), institutional representative from Catamaran Financial Services Pvt. Ltd., sought clarifications on the following:

(i).The employees cost as well as the DSA commission had gone-up. He suggested that the Company should recruit more number of its own employees to take care of more systems and processes.

(ii). He desired to know the reasons for reducing yields, increasing card rates and details relating to the Personal Loan scheme, tenure, processes etc.



(iii). Quantum of Housing Loans to salaried class and non-salaried class borrowers and whether the rates of interest charged to borrowers in non-salaried class was different.

(iv). Whether the Company would issue Rs.300 Crore by way of Rights in one shot or whether the resolution passed by the Board was for the proposed Rights issue upto Rs.300 Crore?

(v). Number of Senior Management Personnel who would be retiring in the next 2-3 years.

Replies by the Chairman

The Chairman said that a lot of positive aspects relating to the annual accounts and performance of the Company had been mentioned by many shareholders who have told about what they thought on the annual accounts of the Company for the year under review and thanked for their positive feedback.

The Chairman informed the members that since most of the questions raised related to operational matters, he would request the Managing Director to give the replies and wherever policy matters were involved at the Board level, he would like to respond.

With the permission of the Chair, the Managing Director replied to the questions raised by the shareholders at the Meeting as follows:

NIM

With regard to reduction in the Net Interest Margin (NIM), the Managing Director replied that the Company was growing at about 46% in terms of loan book size and with the corresponding increase in the denominator, the NIM and the Capital Adequacy Ratio (CAR) were bound to decrease. He said due to similar reasons, the Return on Assets (ROA) had also come down, through better than Industry average NIM, CAR and ROA were expected to improve further.

Business performance, Competition, Non-Housing Loans (NHL), Builders Loan etc.

(i). The Company had recorded a good performance during the I quarter of the financial year 2014-15 and expects to continue and improve the performance levels.

(ii).With regard to the query on permission to Banks for issuing Bonds that do not SLR requirements and its probable impact on housing finance companies, the Managing Director replied that considering the huge size of the housing finance market of about Rs.9 Lakh Crore, and the exposure by the Company being about Rs.6,500 Crore only, there is enough space for business and that the Company was confident of meeting competition, if any, from banks.

(iii).With regard to the exposure to the Builders, he informed that at present the exposure was about Rs.17 Crore. With regard to Loan Against Property (LAP), he replied that the exposure was about Rs.180 Crore and the maximum ticket size was about Rs.2 Crore and with regard to NHL was about 1.2% initially which had now increased to about 9% and basically the Company catered to the retail segment.

(iv). He further clarified that keeping in view the yield from Housing Loan being only 11.37% and NHL being about 13.75%, the Company was carefully and consciously increasing the loan in NHL segment through vigorous marketing and by giving extensive training to the employees, but with adequate precaution.

(v). With regard to the steps taken to reduce cost of funds, the Managing Director replied that the Company had taken several steps to get funds at competitive rates and with the proposed plans to raise funds through debt instruments, Tier-II capital etc., and consequently the NIM was expected to increase.



(vi). The Managing Director further informed that with the registration of charge with CERSAI for all the securities/mortgages and with availability of search of financial discipline of loan applicant through CIBIL, the interests of purchasers of properties had been protected to a significant extent.

(vii).With regard to the probable impact of Real Estate Regulatory Bill, he said that no such impact immediately on the performance of the Company could be foreseen.

Number of branches

With regard to a question on the number of branches proposed to be opened in the year 2014-15, the Managing Director said that presently the number of branches were 102 and would reach 109 by March 31, 2015.

Recruitment of staff

With regard to the recruitment of staff and training them, the Managing Director replied that such recruitments were need based and man the new branches. He further replied that recruitments were being made upto the cadre of Managers after complying with the terms and conditions approved by the Board for such appointments.

Control mechanisms

With regard to the monitoring and mentoring of such recruits, the Managing Director replied that each of the recruits and branches headed by them were being overseen by a senior personnel of nearby branch who would interact with the branch heads, give guidance about the Company's procedures and review the powers. He clarified that with regard to sanction of NHL, the delegated powers at branch level are limited and also such loans beyond delegated powers were being sanctioned at the Registered Office level.

Cost-to-Income Ratio (CIR)

With regard to a question on increase in cost-to-income ratio, the Managing Director replied that the said ratio had increased due to recruitment of personnel and opening of new branches during 2013-14 which normally would take about 1 year to reach the break-even level. He informed that the CIR had reduced from 28% to 25% as on 30/06/14 and moreover considering the growth in business the expenditure on staff and other costs were in tune with the business and needs of the Company.

Measures taken on Corporate Social Responsibility (CSR)

On the question on CSR initiatives, the Managing Director replied that though CSR Initiatives are applicable from the current financial year only, the Company had taken the initiative in the last financial year itself and contributed in the education sector. He said that the Board of Directors had constituted a CSR Committee and the said Committee would look into the various aspects of CSR and take further steps.

Direct Selling Agents (DSAs)

For a question on dependence on DSAs, the Managing Director replied that the Company was availing the services of DSAs on certain terms and conditions with control mechanisms for review of performance in place.



Personal Loan

With regard to the scheme for sanctioning Personal Loans, the Managing Director replied that it was a loan given to the existing housing loan customers after looking into the track record shall be well within the loan-to-value ratio of 70% including the outstanding liability in housing loan.

Differential rate of interest

With regard to clarification sought on charging different interest rates to the salaried class and non-salaried class borrowers, the Managing Director replied that though such a system was not practiced, the suggestion made by the shareholder(s) would be examined.

With regard to the retirement of senior management personnel, he informed that 3 senior management personnel would be retiring during the next 3 years.

Replies by the Chairman

The Chairman said that a lot of positive aspects relating to the annual accounts and performance of the Company had been mentioned by many shareholders and thanked for their positive feedback.

He thanked the Managing Director for the replies and clarifications on different questions raised/clarifications sought by the shareholders.

The Chairman further clarified to the shareholders on various issues raised by them as below:

Corporate Governance and risk management

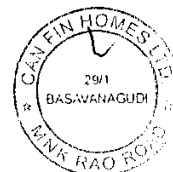
He said that it would be a constant endeavor on the part of the management to streamline the risk management process as per the needs of the growing company. He informed that during the last 3 years, the Company had shown significant performance in the top line and importantly the net Non-Performing Asset (NPA) was zero and the loan port-folio was managed very well. He said that by going forward, despite competition from banks, Can Fin Homes Ltd., as a Housing Finance Company would have its own business space and the crux lied in Corporate Governance.

The Chairman said that a lot of changes had come into effect in the Companies Act, 2013 and if read carefully it was not only applicable to lenders but also the to the borrower companies. He said that while improving the standards of Corporate Governance, naturally the risks were all well managed i.e., risk management.

Corporate Social Responsibilities

The Chairman drew attention of the members to a separate section of the Annual Report 2013-14 wherein related details relating to various risks had been provided and said that the Company had been addressing to the various risks in rights earnest.

The Chairman said that the Board would have interactions with the executives of the Company and would be watchful about the developments with regard to CSR and the Board of Directors and the Management would like to take CSR activities as a corporate goal and would contribute in that direction and even otherwise also, the Company had taken-up certain activities as a part of CSR activities and e-governance. He also mentioned that while opening of new branches, the requirements of the environment had been kept in view. He requested that shareholders could forward their suggestions/guidance on the subject, to the Company's Registered Office for placing the same before the appropriate committee for its view and decisions.



Return on Assets (ROA)

With regard to the reduction in ROA, the Chairman replied that the ROA of many of the commercial banks was less than about 1%, whereas the private sector banks were showing more than 1.5% and the Can Fin Homes Ltd., with the ROA of about 1.6% hopes to do well in the years to come.

The Chairman replied that it was always the public sector which floats the institutions, especially in the financial sector and Can Fin Homes Ltd., was floated/ sponsored by Canara Bank and after 27 years it had reached the present performance level. He expressed the view that the Company shall stand on its own at an appropriate time and since the Company being a listed company, an arm's length distance with its parent bank was being maintained.

The Chairman complimented the Managing Director and all his team members for the excellent performance and informed that the Board of Directors of the Company comprising the directors from various disciplines/background was conscious of man-power planning as well as succession planning.

With regard to a query on the term of the Managing Director, the Chairman informed that the tenure of the Managing Director of the Company had been extended upto 30/06/15 and for further extension the matter would be taken up at the appropriate time with the competent authority of the Sponsor Bank.

Real Estate Regulatory Bill and exposure to builders

The Chairman replied that the Real Estate Regulatory Bill was drawn after the Government came to a conclusion that there was a need to regulate Builders. He replied that the exposure to builders by the Company was very small about 17 Crore. He said that the Company was open to adopt the best practices followed by the peer group and had drawn the Vision-2020 document.

Human Resources

On a question relating to Human Resources, he replied that attrition was the order of the day and the Corporates corporates shall consider change in the environment, draw proper compensation packages and the Company was initiating steps to draw long-term and short-term plans so that it could attract good people from market depending upon the need.

Proposed Rights Issue

With regard to the proposed Rights Issue, the Chairman replied that the Board of Directors at their last meeting had taken a decision to go in for a Rights Issue, so that the interest of the existing shareholders remain mostly and if the Company opted for a QIP, the interest of the existing shareholders might get affected. He further replied that it was decided that the Rights Issue was the most suitable option keeping in view the increased business growth and requirement to meet the CAR. He said that the Board had appointed the Merchant Bankers and the timing of the issue, quantum, pricing etc., would depend upon the market situations and would be proceeded with in consultation with the merchant bankers. He also clarified that the Company had no proposal to allot shares under ESOP for the present.

There being no further questions on the subject, the Chairman said that a detailed discussion on the adoption of the Balance Sheet as at March 31, 2014 and the Profit and Loss account for the year ended that date, Report on Corporate Governance, Auditors report thereon and the Report of Directors had taken place and declared the discussion on the subject as closed and moved the following Motion as an Ordinary Resolution:



Ordinary Business

Agenda No.1 – Adoption of accounts

Chairman moved the following Motion as an Ordinary Resolution:

"RESOLVED that the audited financial statements, including the Balance Sheet of the Company as at March 31, 2014 and the statement of the Profit and Loss Account for the year ended that date together with all the statements/annexure enclosed therewith, together with the Report of the Directors and Report of the Auditors be and the same are hereby received, considered and adopted".

The resolution was Proposed by Shri R.Manjunatha (120384000261330) and Seconded by Shri B.Balasubramanian (IN30135620001572) the Resolution was put to Poll.

Agenda No.2 - Declaration of dividend for the Financial Year ended March 31,2014

Chairman moved the following Motion as an Ordinary Resolution:

"RESOLVED that pursuant to the recommendations made by the Board of Directors, a dividend @ Rs.6.50 per share on the Equity Shares of the Company for the year ended March 31, 2014 *be and is hereby declared out of the current profits of the Company and the same be paid to those shareholders whose name appeared in the Register of Members of the Company as on July 15, 2014 and pursuant to Section 124 and all other applicable provisions, if any, of the Companies Act, 1956, the dividend warrants be posted/arrangements for payment through ECS, as applicable, be made, within 30 days from the date of declaration to those shareholders who are entitled to receive the same*".

The resolution was Proposed by Shri Sridhar Shankar (IN30051310823665) and Seconded by Shri S.P.Pavana Murthy (IN301356201100) the Resolution was put to Poll.

Agenda No.3 – Re-appointment of Shri S.A.Kadur, as a Director retiring by rotation at the annual general meeting.

The Chairman informed the members that Shri S.A.Kadur was a degree holder in Engineering and presently the General Manager of Canara Bank. The Chairman further informed that the directors of the Company had recommended the re-appointment of Shri S.A.Kadur as a Director of the Company, liable to retire by rotation and the related details on the subject had been provided in page no 28 of the annual report for 2013-14.

The Chairman moved the following Motion as an Ordinary Resolution:

"RESOLVED that Shri S.A.Kadur, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation".

The resolution was Proposed by Shri Rajashekhara Aradhya (IN30113510678968) and Seconded by Shri E.V.Venkataram Gupta (IN 30009519187983) the Resolution was put to Poll.

Agenda No.4 – Appointment of Auditors

The Chairman informed that the Motion was to appoint M/s.K.P.Rao & Co., Bangalore as Statutory Auditors from the conclusion of this meeting until the conclusion of the next Annual General Meeting and for authorisation to the Board of Directors to appoint branch auditors and to fix remuneration, as detailed in Agenda No.4 of the Notice of the Annual General Meeting.



The Chairman moved the following Motions as Special Resolutions:

"RESOLVED that pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 (corresponding to Section 224 and all other applicable provisions, if any of the Companies Act, 1956) and rules made thereunder, M/s.K P Rao & Co., Chartered Accountants are hereby re-appointed as statutory auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting (after commencement of the Companies Act, 2013), subject to ratification of appointment by members annually at such remuneration as may be fixed by the Board of Directors, applicable taxes thereon, and reimbursement of out-of-pocket expenses incurred by them for the purpose of conducting audit of the accounts of the Company.

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

The resolution was Proposed by Shri K.N.Harsha Kumar (IN30061010706275) and Seconded by Smt.Meenakshi Hariharan (M02227) the Resolution was put to Poll.

Special Business - (As Ordinary Resolutions)

Agenda No.5 – Appointment of Shri T.V.Rao as a Director

The Chairman informed the members that the Board of Directors of the Company appointed Shri T.V.Rao, as an Additional Director of the Company with effect from February 02, 2014 and pursuant to Article 22 of the Articles of Association of the Company ("Articles"), read with Section 260 of the Companies Act, 1956 "the Act" and Shri T.V.Rao would hold office only upto the date of the current Annual General Meeting. He further informed the members that Shri T.V.Rao was till recently Director, Export-Import Bank of India and possessed an experience of over 35 years and further details on the subject were made available on available in page no.8 of the annual report of the Company.

The Chairman moved the following Motion as an Ordinary Resolution:

"RESOLVED that in accordance with the provisions of Section 149, 150, 152 and all other applicable provisions, if any, 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 of the Companies Act, 2013, Shri.T.V.Rao (holding DIN 05273533) who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 (corresponding section 161 of the Companies Act, 2013) and Article 22 of the Articles of Association of the Company, and in respect of whom the Company has received a notice in writing proposing his candidature for the office of director, is hereby appointed as an Independent Director of the Company to hold office for a consecutive period of 3 years from date of this Annual General Meeting until the conclusion of the Annual General Meeting of the year 2017."

The resolution was Proposed by Shri B.Balasubramanyian (IN30135620001572) and Seconded by Shri Venkat Rao (IN303719010954824) the Resolution was put to Poll.

As the Agenda No.6 was relating to the appointment of Shri K.N.Prithiviraj, Chairman of the current Annual General Meeting, as a Director of the Company, Shri K.R.Vijayendra was elected



as the Chairman of the Meeting. Shri K.R.Vijayendra, presided over the Meeting as the Chairman of the Meeting with respect to Agenda No.6.

Agenda No.6 – Appointment of Shri K.N.Prithviraj, as a Director

The Chairman informed the members that the Board of Directors of the Company appointed Shri K.N.Prithviraj, as an Additional Director of the Company with effect from June 04, 2014 and pursuant to Section 161 and all other applicable provisions, if any of the Companies Act, 2013 and Article 22 of the Articles of Association of the Company and Shri K.N.Prithviraj holds office only upto the date of the ensuing Annual General Meeting. He informed that the Board of Directors had elected Shri K.N.Prithviraj, as the Chairman of the Board at their meeting held on 24/07/2014. He informed that Shri K.N.Prithviraj was the former Chairman and Managing Director of Oriental Bank of Commerce and further particulars relating to Shri K.N.Prithviraj, Director, had been provided in page no.9-10 of the explanatory statement forming part of the notice of the Meeting.

The Chairman moved the following Motion as an Ordinary Resolution:

"RESOLVED that in accordance with the provisions of Section 149, 150, 152 and all other applicable provisions, if any, 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 of the Companies Act, 2013, Shri.K.N.Prithviraj (holding DIN 00115317) who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 and Article 22 of the Articles of Association of the Company, and in respect of whom the Company has received a notice in writing proposing his candidature for the office of director, is hereby appointed as an Independent Director of the Company to hold office for a consecutive period of 3 years from date of this Annual General Meeting until the conclusion of the Annual General Meeting of the year 2017."

The resolution was Proposed by Shri Rajashekhar Aradya (30061010706275) and Seconded by Shri Shyamalendu Saha, Institutional Representative from Canara Bank (Client ID No.IN 30135600400946) the Resolution was put to Poll.

Shri K.N.Prithviraj, Director and Chairman of the Board of Directors thanked Mr.K.R.Vijayendra, Director, for having Chaired the Meeting in respect of Agenda No.6. Shri K.N.Prithviraj, Chairman presided over the Meeting in respect of the remaining Agenda placed before the Meeting.

Agenda No.7 – Acceptance of Deposits from public

The Chairman informed the members that Company has been accepting deposits and intended to continue acceptance of deposits from the public in terms of Section 73(2) and 76 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder, as applicable. He informed that the Company had been following the Directions/guidelines issued by the National Housing Bank from time to time with regard to acceptance and renewal of deposits and would continue to follow the same, as applicable from time to time and further particulars on the subject had been provided in page no.10 of the explanatory statement forming part of the notice of the Meeting.

The Chairman moved the following Motion as an Ordinary Resolution:

"RESOLVED that the consent of the Company is hereby accorded to the Board of Directors of the Company, in pursuance of the Housing Finance Companies (NHB) Directions, 2010 issued under National Housing Bank Act, 1987 and guidelines issued from time to time and all other applicable provisions of the Companies Act, 2013 and the rules made there under, as applicable for acceptance of deposits from public and others, Provided that the total amount upto which aggregate money(ies) borrowed by the Board of Directors of the Company together with the



deposits so accepted from the public and others shall not exceed the limit approved by the Company in terms of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013."

The resolution was Proposed by Shri R.Hariharan (R02184) and Seconded by Shri B.Balasubramanyian (IN30135620001572) the Resolution was put to Poll.

Agenda No.8 - Increase of the borrowing powers of the Board of Directors of the Company from Rs.10,000 Crore to Rs.12,000 Crore.

The Chairman informed the members that with the business operations growing and the expected growth in the activities and operations of the Company the aforesaid limit of ₹ 10,000 Crore was likely to exceed in due course/in the near future and the consent of the members had been sought by way of a Special Resolution in terms of Section 180(1)(c) of the Companies Act, 2013, proposed vide agenda no.8 placed before the meeting, to enable the Board of Directors of the Company to borrow moneys upto a sum of ₹ 12,000 Crore (Rupees Twelve Thousand Crore) and further particulars on the subject had been provided in page no.10-11 of the explanatory statement forming part of the notice of the Meeting.

The Chairman moved the following Motion as a Special Resolution:

"RESOLVED that in supersession of the earlier resolution(s) passed at the Twenty Sixth Annual General Meeting of the Company held on August 07, 2013, the consent of the Company be and is hereby accorded under the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (corresponding to Section 293(1)(d) of the Companies Act, 1956), to the Board of Directors of the Company to borrow from time to time any money as they deem requisite for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) would exceed the aggregate of paid-up share capital and free reserves of the Company, Provided that the total amount upto which monies borrowed by the Board of Directors of the Company shall not exceed ₹ 12,000 Crore (Rupees Twelve Thousand Crore only), at any one time".

The resolution was Proposed by Shri Pramod (H06582) JT1 Shri Nathan and Seconded by Shri Shyamalendu Saha, Institutional Representative from Canara Bank (Client ID No.IN 30135600400946) the Resolution was put to Poll.

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

The Chairman informed the members of the Company that at the 20th Annual General Meeting of the Company held on July 19, 2007, the members present thereat had authorised the Board of Directors by means of an ordinary resolution, to mortgage and/or create charge on all or any of the assets and properties both immovable and movable, including the undertaking of the Company (including the Company's Interest as mortgagee in the various properties belonging to the borrowers of the Company) and further to issue covenants for negative pledges/negative liens etc., as and by way of security for the due repayment of the sums of money together with interest or other moneys due thereon, if any, already borrowed or to be borrowed by the company there from within the overall limits of the borrowing powers of the Board of Directors of the Company as determined from time to time by the shareholders pursuant to Section 293(1)(d) of the Companies Act, 1956. In terms of the requirement u/s.180 (1) (a) of the Companies Act, 2013, the above said authorisation(s)/ consent by the members of the Company are to be made to the Board of Directors by means of a Special Resolution. Hence, consent of the members had been sought by way of a Special Resolution vide Agenda no.9 of



the Meeting and further particulars on the subject had been provided in page no.11 of the explanatory statement forming part of the notice of the Meeting.

The Chairman moved the following Motion as a Special Resolution:

"RESOLVED that in supersession of the earlier resolution(s) passed at the Twenty Sixth Annual General Meeting of the Company held on August 07, 2013, the consent of the Company be and is hereby accorded under the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (corresponding to Section 293(1)(d) of the Companies Act, 1956), to the Board of Directors of the Company to borrow from time to time any money as they deem requisite for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with money(s) already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) would exceed the aggregate of paid-up share capital and free reserves of the Company, Provided that the total amount upto which monies borrowed by the Board of Directors of the Company shall not exceed ₹ 12,000 Crore (Rupees Twelve Thousand Crore only), at any one time".

The resolution was Proposed by Smt.Rekha Mallya (R02268) and Seconded by Shri Satish K N (IN30045011099102), the Resolution was put to Poll.

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

The Chairman informed the members that in terms of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013 a Company may, subject to the provisions of that section, make an offer or invitation for subscription of securities including non-convertible debentures by way of private placement and in terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 such a private placement can be made only with the previous approval by the shareholders of the company by means of a Special Resolution once a year. He also informed that further particulars on the subject are provided in page no.11-12 of the explanatory statement forming part of the notice of the Meeting.

The Chairman moved the following Motion as a Special Resolution:

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

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



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

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

The resolution was Proposed by Shri Sridhar Shankar (IN 30051310823665) and Seconded by Shri Harsha Kumar (IN30061010706275) the Resolution was put to Poll.

Agenda No.11- Offer or invitation for subscription for Tier-II Bonds Subordinated aggregating to Rs.300 Crore on private placement.

The Chairman moved the following Motion as a Special Resolution:

The Chairman informed the members (In terms of the Housing Finance Companies (NHB) Directions 2010, the Housing Finance Companies (HFC) are required to maintain the CAR at 12% (Tier I and/or Tier II) and as on 31/03/14, the CAR of the Company 13.8%. He informed further that keeping in view the increasing volume of business of the Company and to meet/improve the CAR requirements, approval of the shareholders of the Company had been sought by means of a Special Resolution in terms of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 for issue Tier-II Sub-ordinated Bonds upto an amount of ₹ 300 Crore (Rupees Three Hundred Crore) only, on private placement basis during a period of one year from the conclusion of the current AGM until the conclusion of the next Annual General Meeting depending upon the requirement of funds to meet/increase the CAR from time to time. He informed that further particulars on the subject had been are provided in page no.12-13 of the explanatory statement forming part of the notice of the Meeting.

"RESOLVED that subject to the provisions of Section 42 of Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions, if any, of "the Act", Directions/Guidelines issued by the National Housing Bank/Regulators or any other statutory authorities from time to time, the Board of Directors of the Company are hereby authorised to offer or invite subscription of securities Tier-II Sub-ordinated Bonds upto an amount of ₹ 300 Crore (Rupees Three Hundred Crore), on private placement basis for a period of one year from the conclusion of this Meeting until the conclusion of the next Annual General Meeting.

FURTHER RESOLVED that the Board of Directors of the Company are hereby authorised to take decision(s) about the timing of the issue(s) of the said Tier-II Sub-ordinated Bonds, number of securities, number of tranche(s), to be issued under each such tranches, tenure, coupon rate(s), pricing of the issue, date(s) of opening and closing of the offers/invitations for subscription of such securities, securities for the issue, if any, deemed date(s) of allotment, redemption and all other terms and conditions relating to the issue of the said securities on private placement basis or delegate the above powers to committee(s) of the Board or such other Committees duly constituted for the purpose".

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



FURTHER RESOLVED that the Board is hereby authorised 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(s)."

The resolution was Proposed by Shri G.K.Nagaraja Rao (N01382) and Seconded by Smt.K.G.Saraswathamma (IN30287120140023) the Resolution was put to Poll.

With a vote of thanks to the Chair, the Meeting concluded.

The Chairman declared the Meeting as closed.

Place: Bangalore
Date: August 20, 2014

Sd/-
K.N.PRITHVIRAJ
CHAIRMAN

CERTIFIED COPY


K S SATHYAPRAKASH
AGM & COMPANY SECRETARY

