

LIC HOUSING FINANCE LIMITED

MINUTES OF THE TWENTY FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS HELD ON 25TH JULY, 2013

Minutes of the Twenty Fourth Annual General Meeting of LIC Housing Finance Limited held on Thursday, 25th day of July, 2013 at 3.00 p.m. at the 'M. C. Ghia Hall', Bhogilal Hargovindas Building, 4th Floor, 18 / 20 Kaikhushru Dubash Marg, Behind Prince of Wales Museum, Mumbai – 400 001.

MEMBERS PRESENT:

In Person:

1 Authorised representative, 71 Shareholders and 204, proxies were present.

DIRECTORS:

1. Shri Sushobhan Sarker : Director & Chairman of the Meeting
2. Shri K. Narasimha Murthy : Director
3. Shri B. N. Shukla : Director
4. Shri Jagdish Capoor : Director
5. Ms. Savita Singh : Director
6. Shri V. K. Sharma : Managing Director & CEO

COMPANY SECRETARY

Shri Nitin K. Jage : General Manager (Taxation) & Company Secretary

SENIOR EXECUTIVES

1. Shri Rajeev Chaturvedi : General Manager
2. Ms. Naveen Koul : General Manager
3. Shri A. K. Anand : General Manager
4. Shri N. K. Mittal : Chief Financial Officer
5. Shri Surinder Mohan : General Manager
6. Shri. S. T. Samtani : General Manager
7. Shri P. Shekhar : General Manager
8. Shri Venkatasubramanian : Chief Manager
9. Shri Pardaman. Singh : Chief Manager
10. Shri N. Mahesh : Associate Chief Manager

STATUTORY AUDITORS:

M/s. Chokshi & Chokshi

1. Shri Mitil Chokshi : Partner

M/s. Shah Gupta & Co.

1. Shri Vipul Chokshi : Partner

The Chairman welcomed the Members to the Meeting and introduced all Directors. The Chairman after ascertaining the adequacy of quorum, called the meeting to 'order' and commenced the proceedings. He informed the Members that the Statutory Registers as per the Companies Act, 1956 were open for inspection by any Member. With the permission of the Members present, the notice convening the meeting was taken as read. Thereafter, the Chairman requested Shri Nitin K. Jage, Company Secretary to read out the Auditors' Report. After the Auditors' Report was read, the Chairman in his speech to the Members reviewed the housing scenario, achievements and performance of the Company for the year 2012-2013 and highlighted the growth in Income, Profit, EPS, Book Value etc. He also highlighted various other initiatives taken by the Company to achieve better results and outlook for the current year.

The Chairman proposed the first item of the Agenda in respect of adoption of Financial Accounts and Reports of Board of Directors and Auditors to the shareholders. He invited Members to offer their comments on the working of the Company for the year under review, and/or any other item of the notice of the meeting. Thereafter, Shri Sanjay Kular (Client ID : 10433739) and Shri Nigel Gonsalves (Client I.D. No.10023612), Members spoke at the meeting, complimenting for better performance, NPA provisioning, outlook on net interest margin, loan book growth, critical on low PE ratio, unsatisfactory performance, cost of funds giving suggestions, their views on different aspects of functioning of the Company, seeking information on some aspects and raising some issues. The shareholders also sought clarification on following:-

- Loan book growth target for 3 years,
- Disparity between HDFC and LICHFL share value,
- QIP status,
- Impact of tight economic environment,
- Performance of subsidiaries.
- Delay in sending of information on details about section 212,
- Some additional information to be provided through pictorial presentation like graphs, charts etc.,
- Profile of Director – Ms. Savita Singh,.

- Outlook for future,
- Average cost of fund and sources of fund,
- Any proposal for increase in the shareholding by LIC of India,
- Strategy to increase NIM.

Shri V. K. Sharma, Managing Director & CEO responded to the questions raised / clarifications sought by the members.

ITEM NO: 1- APPROVAL OF AUDITED BALANCE SHEET AS AT 31ST MARCH, 2013, THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2013 TOGETHER WITH REPORTS OF THE DIRECTORS AND THE AUDITORS THEREON.

The Chairman placed before the meeting first Item of the Notice relating to the approval of Accounts, Directors' Report and the Auditors' Report and proposed the same alongwith Shri Sanjay Kular, Member (Client ID : 10433739).

Thereafter Shri S. N. Bhandari, Member (I.D. No10480443) seconded the resolution as an Ordinary Resolution for Item No. 1 of the notice in respect of the audited Statement of Profit & Loss and Balance Sheet for the Financial Year ended 31st March, 2013 of the Company the Directors' Report and Auditors' Report.

"RESOLVED THAT the Audited Statement of Profit & Loss for the Financial Year ended 31st March, 2012 and Balance Sheet as on that date and the Reports of the Directors and Auditors submitted to this meeting be and are hereby adopted".

The Chairman put the resolution to vote and the same was carried unanimously.

ITEM NO: 2 - DECLARATION OF DIVIDEND:

Shri Chandrakant Pranjivan Shah, Member (Client I.D. No.10347547) proposed the following resolution as an Ordinary Resolution for declaration of dividend at the rate of 190% for F.Y. 2012-13:

"RESOLVED THAT Dividend for the Financial Year ended 31st March, 2013 at the rate of 190% per share on 50,46,63,000 Equity Shares be paid on or after 27th July, 2013 to those members whose names appear in the Register of Members of the Company as on Thursday, 25th July, 2013 and statement of beneficial ownership maintained by the Depositories as on close of business hours on Wednesday, 10th July, 2013".

The resolution was seconded by Shri P. K. Agnihotri (Client I.D. No.36508923).

The Chairman put the resolution to vote and the same was carried unanimously.

ITEM NO: 3 - RE-APPOINTMENT OF SHRI S. RAVI AS DIRECTOR.

Ms. H. S. Patel, Member (Client I.D. No.1203710000118436) proposed the following resolution for reappointment of Shri S. Ravi as Director, liable to retire by rotation pursuant to Section 256 of the Companies Act, 1956: -

"RESOLVED THAT Shri S. Ravi who retires by rotation pursuant of Section 256 of the Companies Act, 1956 be and is hereby re-appointed as Director of the Company".

The resolution was seconded by Shri Chandrakant Pranjivan Shah, Member (Client I.D. No.10347547).

The Chairman put the resolution to vote and the same was carried unanimously.

ITEM NO: 4 - RE-APPOINTMENT OF SHRI JAGDISH CAPOOR AS DIRECTOR.

Shri S. N. Bhandari, Member (I.D. No10480443) proposed the following resolution for reappointment of Shri Jagdish Capoor as Director, liable to retire by rotation pursuant to Section 256 of the Companies Act, 1956: -

"RESOLVED THAT Shri Jagdish Capoor who retires by rotation pursuant of Section 256 of the Companies Act, 1956 be and is hereby re-appointed as Director of the Company".

The resolution was seconded by Shri P. K. Agnihotri (Client I.D. No.36508923).

The Chairman put the resolution to vote and the same was carried unanimously.

ITEM NO: 5 -APPOINTMENT OF AUDITORS.

Ms. H. S. Patel, Member (Client I.D. No.1203710000118436) proposed the following resolution as a Special Resolution for appointment of M/s. Chokshi & Chokshi, Chartered Accountants, Mumbai, FRN 101872W and M/s. Shah Gupta & Co., Chartered Accountants, Mumbai, FRN 109574W as Joint Statutory Auditors of the Company:

"RESOLVED THAT pursuant to Section 224A of the Companies Act, 1956 M/s. Chokshi & Chokshi, Chartered Accountants, Mumbai, FRN 101872W and M/s. Shah Gupta & Co., Chartered Accountants, Mumbai, FRN 109574W be and are hereby appointed as Joint Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, on a remuneration to be determined by the Board of Directors in consultation with them plus applicable service tax for the purpose of audit of the Company's accounts at the Registered Office and Corporate Office as well as a few Back Offices".

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to appoint in consultation with the Company's Joint Statutory Auditors any person or persons qualified for appointment as Auditor or Auditors of the Company under section 226 of the Companies Act, 1956, to conduct audit of other Back Offices in India on such terms and conditions as may be mutually agreed depending upon the nature and scope of their work".

The resolution was seconded by Shri P. K. Agnihotri (Client I.D. No.36508923).

The Chairman of the Meeting put the resolution to vote and the same was carried unanimously.

ITEM NO: 6 – APPOINTMENT OF SHRI V. K. SHARMA, AS MANAGING DIRECTOR & CEO OF THE COMPANY.

Shri Sanjay Kular, Member (Client ID: 10433739) proposed the following resolution as an Ordinary Resolution for appointment of Shri V. K. Sharma, as Managing Director & CEO of the Company:

“RESOLVED THAT pursuant to the provisions under sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and subject to such sanctions as may be necessary, approval be and is hereby given to the appointment of Shri V. K. Sharma, as Managing Director & CEO of the Company for a period of 5 years or as decided by LIC of India from time to time. The terms and conditions of his service shall be determined from time to time by LIC of India and the Board of LIC Housing Finance Limited which will be within the limit as per the Companies Act, 1956 as set out in the Explanatory Statement attached to the notice”.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution”.

The resolution was seconded by Shri S. N. Bhandari, Member (I.D. No10480443).

Chairman of the Meeting put the resolution to vote and the same was carried out by majority.

Shri P. K. Agnihotri (Client I.D. No.36508923), proposed vote of thanks to the Chair.

CHAIRMAN OF THE MEETING

Date: 31st July, 2013.

Place: Mumbai.