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 – 400098.
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, Website : 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 Ltd., pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act") read with the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to other applicable laws and regulations, that the resolution as set out in this Notice is proposed to be passed by the Members through Postal Ballot (postal ballot forms and voting through electronic means).

The explanatory statement setting out the material facts and related particulars with reference thereto, is enclosed along with this Notice 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.

Members desiring to exercise their vote by Postal Ballot Form are requested to read carefully the instructions printed in the Postal Ballot Form and return the Form (no other form or photocopy thereof is permitted) duly completed, indicating your assent (FOR) / dissent (AGAINST) for the resolution in the enclosed postage prepaid self addressed envelope so as to reach the Scrutinizer on or before the close of working hours on Saturday, 29th August, 2015 at 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 Sections 108, 110 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 35B of the Listing Agreement with the Stock Exchanges, the Company is pleased to provide the members, with the facility to exercise their right to vote on the matter included in this Postal Ballot Notice by electronic means i.e. through e-voting services provided by National Securities Depository Limited (NSDL). The e-voting period commences on Friday, 31st July, 2015 (9.00 a.m.) and ends on Saturday, 29th August, 2015 (6.00 p.m.). Members are requested to 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 or any other person authorized by the Chairman & Managing Director of the Company after the completion of the scrutiny of the voting done through postal ballot forms received in physical form and through e-voting process and the consolidated results thereof will be announced on Monday, 31st August, 2015, at the Registered Office of the Company at Warden House, 2nd Floor, Sir P. M. Road, Fort, Mumbai - 400 001. The results 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 the BSE Limited and National Stock Exchange of India Limited. The results of the postal ballot shall also be announced through an advertisement in newspapers.

SPECIAL BUSINESS:

Item of business requiring consent of Members of the Company through Postal Ballot:

Item No. 1

Approval for the Issue of Bonus Shares

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

"RESOLVED THAT in accordance with Section 63 and other applicable provisions of the Companies Act, 2013, read with Rule 14 of the Companies (Share Capital & Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of the Memorandum and Articles of Association of the Company and the recommendation of the Board of Directors of the Company and subject to the regulations issued by the Securities and Exchange Board of India (SEBI), including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended from time to time) and applicable permissions, sanctions and approvals as may be required in this regard, consent of the Members be and is hereby accorded to the Board of Directors/Finance Committee of the Board of Directors for capitalization of such sum as may be standing to the credit of the Securities Premium Account or Capital Redemption Reserve or any other Reserve (as may be permissible), as may be considered necessary and appropriate by the Board and/or the Finance Committee of the Board of Directors, for the purpose of issuance of bonus shares of ₹ 10/- (Rupees ten only) each, credited as fully paid-up shares to the holders of the existing equity shares of the Company, whose names appear in the Register of Members maintained by the Company's Registrar and Share Transfer Agents and the List of Beneficial Owners, as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on such date ("Record Date") as may be fixed in this regard by the Board of Directors and/or the Finance Committee of the Board of Directors, in the proportion of 1(one) equity share for every 1(one) existing equity share held by the Members.

RESOLVED FURTHER THAT Board/Finance Committee/Nomination & Remuneration Committee of the Board of Directors, be and are hereby, severally, authorized to make appropriate adjustments on issue of bonus shares as aforesaid, to the outstanding options granted to the employees of the Company under DHFL ESOP 2008 – Plan I, DHFL ESOP 2009 – Plan II, DHFL ESOP 2009 – Plan III and DHFL ESAR

Scheme 2015 of the Company pursuant to the Securities and Exchange Board of India (Employee Stock Options Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and/or Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and amendments thereto from time to time, such that the exercise price for all outstanding options as on the 'Record Date' (vested and unvested options, including lapsed and forfeited options available for reissue) shall be proportionately adjusted and the number of options which are available for grant and those already granted but not exercised as on 'Record Date' shall be appropriately adjusted.

RESOLVED FURTHER THAT the issue of Bonus shares to Non-Resident Shareholder(s) of the Company, if any, shall be subject, as required, to the approval of the Reserve Bank of India under the provisions of Foreign Exchange Management Act, 1999 and rules and regulations made thereunder.

RESOLVED FURTHER THAT the Bonus Shares so allotted shall rank *pari passu* in all respects with fully paid-up Equity Shares of the Company as existing on the Record Date and shall be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the Board/Finance Committee/Nomination & Remuneration Committee of the Board be and are hereby authorized, severally, to do all such acts, deeds, matters and things and to take all such steps as may be necessary to give effect to the aforesaid resolution and to determine all terms and conditions of the issue of bonus shares as they may in their absolute discretion deem fit."

By Order of the Board
for Dewan Housing Finance Corporation Ltd.

Sd/-
Niti Arya
Company Secretary
(FCS – 5586)

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

Date: 23rd July, 2015

NOTES:

1. The Explanatory Statement and reasons for the proposed Special Resolution pursuant to Section 102 of the Companies Act, 2013, setting out all material facts is annexed to this Notice.
2. The Postal Ballot Notice is being sent to all the Members, whose names appear on the Register of Members as received from the Registrar & Share Transfer Agents and List of Beneficial Owners as received from National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) as on Friday, 24th July, 2015. The voting shall be reckoned in proportion to the paid up equity share capital held by the Members as on Friday, 24th July, 2015. The voting rights for the equity shares are one vote per equity share, registered in the name of the Member.
3. 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.
4. Members desiring to exercise their vote through physical Postal Ballot Form are requested to read carefully the instructions printed on the Postal Ballot Form.
5. The Members who are voting through physical Postal Ballot form must return the same duly completed in the enclosed postage prepaid self addressed envelope. An unsigned Postal Ballot Form will be rejected. Postage will be borne and paid by the Company. However, Postal Ballot Form(s), if sent by courier or by registered post at the expense of the Member(s) will also be accepted. The Postal Ballot Form(s) can also be deposited personally at the Registered Office of the Company. The Postal Ballot Forms(s) should reach the Scrutinizer not later than the close of working hours i.e. 6.00 p.m. on Saturday, 29th August, 2015 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member.
6. In compliance with the provisions of Sections 108, 110 of Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 35B of the Listing Agreement with the Stock Exchanges, the Company is pleased to provide to Members, facility to exercise their votes through electronic means and vote on the resolution through e-voting services provided by National Securities Depository Limited (NSDL).
7. **Voting through electronic means:** The details of the process and manner of E-voting are explained herein below:
   - I In case a Member receives an e-mail from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
     - (i) Open the e-mail containing the PDF file viz; "DHFL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/ PIN for e-voting. Please note that the password is an initial password.
     - (ii) In case you are already registered with NSDL, you can use your existing User ID and Password for casting your vote. You can also update your mobile/ phone number and e-mail id. in the user profile details of the folio.
     - (iii) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/
     - (iv) Click on Shareholder - Login
     - (v) Put user ID and password as initial password/ PIN noted in step (i) above. Click Login.
     - (vi) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
     - (vii) Home page of E-voting opens. Click on e-voting: Active Voting Cycles.

(viii) Select "EVEN" of DHFL .

(ix) Now you are ready for E-voting as Cast Vote page opens.

(x) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(xi) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xii) Once you have voted on the resolution, you will not be allowed to modify your vote.

II. In case a Member receives physical copy of the Postal Ballot Notice [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:

(i) Initial password is being provided as below; at the bottom of the Postal Ballot Form :
EVEN (E-voting Event Number) USER ID PASSWORD/PIN

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

III. The e-voting period commences on Friday, 31st July, 2015 (9.00 a.m. IST) and ends on Saturday, 29th August, 2015 (6.00 p.m. IST). During this period, the Members of the Company holding shares either in physical form or in dematerialized form as on Friday, 24th July, 2015, may cast their vote through E-voting. The E-voting module shall be disabled/blocked by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/ she shall not be allowed to change it subsequently.

IV. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

8 In case, shares are jointly held, for the Members voting through physical Postal Ballot Form, the said 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.

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 The vote (through physical Postal Ballot Form/e-voting) in this Postal Ballot Process cannot be exercised through proxy.

11 **Kindly note that Members can opt for 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 Form shall be treated as invalid.**

12 Any query in relation to the resolution proposed to be passed by Postal Ballot may be sent to the Company Secretary, Dewan Housing Finance Corporation Ltd., at the Registered Office of the Company at, Warden House, 2nd Floor, Sir P. M. Road, Fort, Mumbai - 400 001 or at email id – secretarial@dhfl.com.

13 The Scrutinizer will submit her report to the Chairman & Managing Director or in his absence to any other person authorized by the Chairman & Managing Director, after scrutiny of the Postal Ballot forms and voting by the members through electronic means and the consolidated results of the voting shall be declared by the Chairman & Managing Director, or in his absence, by any other person authorized by the Chairman & Managing Director, on Monday, 31st August, 2015, 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 voting by Postal Ballot shall also be announced through newspaper advertisement and shall be posted on the website of the Company i.e. www.dhfl.com., besides communicating to the BSE Ltd. and the National Stock Exchange of India Ltd.

14 The Scrutinizer's decision on the validity or otherwise of the Postal Ballot will be final.

15 All relevant documents referred in the Postal Ballot Notice shall be open for inspection at the Registered Office of the Company on all working days except Saturdays, between 10.00 a.m. and 1.00 p.m. 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 In case a Member is desirous of obtaining a printed postal ballot form or a duplicate copy, he/she may send an e-mail to the Company at: secretarial@dhfl.com.

18 Postal Ballot Notice is being sent to the Members in electronic form to the e-mail addresses registered with their Depository Participants or Registrar & Share Transfer Agents. For Members whose e-mail IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with a postage prepaid self addressed envelope.

By Order of the Board
for Dewan Housing Finance Corporation Ltd.

Sd/-
Niti Arya
Company Secretary
(FCS – 5586)

Registered Office:
Warden House, 2nd Floor
Sir P. M. Road,
Fort, Mumbai - 400 001.
Date: 23rd July, 2015

ANNEXURE TO THE NOTICE

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

Item No. 1.

As the Members are aware that the Equity Shares of the Company are listed and actively traded on National Stock Exchange of India Ltd and BSE Ltd. the price of the Equity shares of the Company on the Stock Exchanges has also increased significantly over the last 2 years. Thus, with a view to improve the liquidity of the equity shares of the Company in the stock market, to make it affordable for the small investors and to expand the retail shareholders base, the Board of Directors of the Company at its meeting held on Thursday, 23rd July 2015 recommended issue of Bonus Shares to the Members of the Company in the ratio of 1:1 (One share for every one share held) subject to approval of the Members of the Company. The Record Date for the purpose, to be fixed by the Board of Directors or the Finance Committee of the Board of Directors. The present paid-up Equity Share Capital of the Company is ₹ 145,79,48,520 consisting of 14,57,94,852 equity shares of ₹ 10/- each. Thus, issue of subject bonus shares shall be well within the ambit of the Authorized Equity Share Capital of the Company. At present, the Authorized Equity Share Capital of the Company stands at ₹ 7,48,00,00,000 divided into 74,80,00,000 Equity shares of face value of ₹ 10/- each.

The issue of Bonus Shares will require appropriate adjustment with respect to all options under various Employee Stock Option Plans and Employee Stock Appreciation Rights Plan of the Company, such that all the options outstanding on the Record Date, both vested and unvested including lapsed and forfeited options available for reissue, shall be proportionately adjusted.

Thus, the approval of the Members of the Company is sought for capitalization of the amount standing to the credit of the Securities Premium Account or Capital Redemption Reserve or such other Reserve (as may be permissible) and available for capitalization, for the purpose of issue of bonus shares, as the Board or the Finance Committee of the Board, may deem fit and appropriate subject to such terms and conditions as set out in the resolution.

The Bonus Shares so allotted shall rank *pari passu* in all respects including dividend with the existing equity shares of the Company. The proposed issue of Bonus Shares will be made in accordance with the provisions of Companies Act, 2013 and relevant Rules framed there under and guidelines/ regulations issued by the Securities Exchange Board of India from time to time and subject to such approvals, as may be required, from the statutory authorities. Further, it is proposed to authorize the Board of Directors / Committees of the Board (i.e. Finance Committee / Nomination and Remuneration Committee) to complete all the regulatory formalities prescribed by SEBI, Stock Exchanges on which the shares of the Company are listed and / or by any other regulatory or statutory authority(ies) in connection with the issue of Bonus Shares.

The Board recommends the resolution as set out in the Postal Ballot Notice for approval of the Members of the Company by way of Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution as set out at Item No. 1, except to the extent of their entitlement of bonus shares as on the Record Date and also adjustment in the ESOP / ESAR entitlement(s).

By Order of the Board
for Dewan Housing Finance Corporation Ltd.

Sd/-
Niti Arya
Company Secretary
(FCS – 5586)

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

Date: 23rd July, 2015

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