DLF LIMITED
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DLF City, Gurgaon – 122 002, Haryana
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POSTAL BALLOT NOTICE

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

Notice is hereby given to the members of DLF Limited (the "Company"), pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Equity Listing Agreement that the Company is seeking consent of its members for the proposed resolutions as set out herein below, by way of postal ballot ("Postal Ballot").

Special Business

Item No. 1

To offer or invite for subscription of non-convertible debentures including other debt securities on private placement basis

To consider and if thought fit, to give assent/dissent to the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof for the time being in force (the "Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended and other applicable Securities and Exchange Board of India regulations and guidelines, the provisions of the Memorandum and Articles of Associations of the Company and subject to other applicable laws, rules, regulations/guidelines, the consent of the Company be and is hereby accorded to the Board of Directors (the "Board"), which term shall include any Committee thereof constituted/to be constituted by the Board, to offer or invite subscriptions for secured/ unsecured redeemable non-convertible debentures ("NCDs") including subordinated debentures, bonds and/or other debt securities etc., in one or more series/tranches upto an aggregate amount of ₹ 5,000 crores (Rupees five thousand crores only), on private placement basis and on such terms and conditions as the Board may, from time to time, determine and consider proper and beneficial to the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to determine the terms of issue of such NCDs including the class of investors, securities to be offered, number of NCDs, series, tranches, issue price, currency, tenor, interest rate, premium/discount, repayment, listing or otherwise howsoever, as it may think appropriate and to do all such acts, deeds and things, as it may, in its absolute discretion, consider necessary, expedient or desirable including appointment of intermediaries and to sign and execute any deed(s)/ document(s)/ undertaking(s)/ agreement(s)/paper(s)/ underwriting(s) and also to delegate all or any of the above powers, as may be required to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company."

Item No. 2

Approval/Ratification of fee payable to Cost Auditors

To consider and if thought fit, to give assent/dissent to the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with the Companies (Cost Records and Audit) Rules, 2014, remuneration payable to M/s R.J. Goel & Co., cost accountants, appointed by the Board of Directors (the "Board") to conduct the audit of the cost records pertaining to real estate development activities of the Company for the financial year ended 31st March, 2015, amounting to ₹ 3.0 Lacs (Rupees three lacs only) plus applicable taxes and reimbursement of out-of-pocket expenses, if any, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps and give all directions as it may in its absolute discretion deem necessary, proper or expedient to give effect to this resolution."

Item No. 3

Amendment to the Articles of Association

To consider and if thought fit, to give assent/dissent to the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013, (the "Act") read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to necessary approvals, permissions and sanctions from the appropriate authorities, if any, the Articles of Association of the Company be and are hereby altered in the manner set out herein below:

(i) The existing Article 89 be deleted and replaced with the following Article:

"The number of Directors of the Company shall not be less than three or more than eighteen unless otherwise determined by a Special Resolution."

(ii) The existing Article 102 be deleted and replaced with the following Article:

"At each annual general meeting of the Company one third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, than the number nearest to one third shall retire from office. Subject to the provisions of Section 152(6) of the CA 2013, neither the Chairman nor the Vice Chairman of the Company shall be liable to retire by rotation for the purposes of this Article."

(iii) The existing Article 125(2) be deleted and replaced with the following Article:

"Subject to the provision of any contract between Managing Director(s) and the Company, the Managing Director(s) shall be subject to the same provisions as to resignation and removal as the other Directors of the Company and the Managing Director(s) shall ipso facto and immediately cease to be the Managing Director(s), if he/she ceases to hold the office of Director for any reason whatsoever."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps and give all directions as it may in its absolute discretion deem necessary, proper or expedient to give effect to this resolution."

Item No. 4

Approval for payment of commission to non-executive directors

To consider and if thought fit, to give assent/dissent to the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 197, 198 and all other applicable provisions of the Companies Act, 2013, (the "Act") read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and provisions of the Articles of Association of the Company, a sum not exceeding 1% per annum of the net profits of the Company, be paid and distributed among the directors of the Company or some or any of them [i.e. directors other than Managing and Whole-time Director(s)] in such amounts or proportion and in such manner and in such respects as may be decided by the Board of Directors (the "Board") and such payments shall be made out of the profits of the Company for each year commencing from April 1, 2015.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps and give all directions as it may in its absolute discretion deem necessary, proper or expedient to give effect to this resolution."

By Order of the Board
for **DLF LIMITED**

New Delhi
5th June, 2015

Subhash Setia
Company Secretary

Notes & Instructions

1. The Statement and Reasons for the proposed Special Business pursuant to Section 102 read with Section 110 of the Companies Act, 2013 (the "Act") setting out material facts are appended herein below.
2. The Notice is being sent to all the members, whose names appear on the register of members / list of beneficial owners as received from National Securities Depository Limited ("NSDL")/ Central Depository Services (India) Limited ("CDSL") on **Friday, 29th May, 2015.**
3. Voting will commence on **June 23, 2015 (Tuesday) and end on July 22, 2015 (Wednesday)**.
4. The Company has appointed Mr. Ashok Tyagi, Company Secretary in whole-time practice as the scrutinizer and Mr. Vineet K Chaudhary, Company Secretary in whole-time practice as alternate scrutinizer (hereinafter collectively referred to as the "Scrutinizers") 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 carefully read the instructions printed in the Postal Ballot Form and return the same duly completed on the attached self-addressed Business Reply Inland Letter and 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) may also be deposited personally at the address given thereon. **The duly completed Postal Ballot Form(s) should reach the Scrutinizers not later than the close of working hours (i.e. upto 6.30 P.M.) on Wednesday, 22nd July, 2015** to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the member. The e-voting module shall also be disabled by Karvy Computershare Private Limited ("Karvy") for voting thereafter.
6. In compliance with the provisions of Section 108 & 110 of the Act read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company has also extended e-voting facility as an alternate, for its members to enable them to cast their votes electronically instead of despatching Postal Ballot Form. E-voting is optional. Kindly note that the members can opt only one mode of voting, i.e. either by physical Postal Ballot or e-voting. If the members are opting for e-voting, then members are requested not to vote by physical Postal Ballot and vice- versa. However, in case members cast their vote by physical Postal Ballot and e-voting, then voting done through e-voting shall prevail and voting done by physical Postal Ballot will be treated as invalid.

The instructions for e-voting are as under:-

(a) In case of Members receiving e-mail from Karvy

(i) Open the e-mail and open PDF file viz; "DLF e-voting. pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: https://evoting.karvy.com

(iii) Enter the login credentials.

(iv) After entering the details appropriately, click on "Login".

(v) You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 (eight) characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like*,#,@ etc.). The system will prompt you to change your password and update your contact details like mobile, e-mail etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care

to keep your password confidential.

(vi) You need to login again with your new credentials.

(vii) Select "EVEN" of DLF Limited.

(viii) On the voting page, number of shares as held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the Resolution(s), then enter all shares and click FOR / AGAINST as the case may be. You are not required to cast all your votes in the same manner. You may also choose the option ABSTAIN in case you wish to abstain from voting.

(ix) Shareholders holding multiple folios / demat account shall choose the voting process separately for each folio / demat account.

(x) Cast your vote by selecting an appropriate option and click on "Submit". A confirmation box will be displayed. Click "Ok" to confirm else "Cancel" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution(s).

(xi) Once the vote on the resolution(s) is cast by a shareholder, he shall not be allowed to change it subsequently.

(xii) Institutional shareholders (i.e. other than individuals, Hindu Undivided Family, Non-resident Indian etc.) are required to send scanned copy (PDF/JPG Format) of the relevant board resolution/ authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizers through e-mail dlfscrutinizer@gmail.com or dlfevoting@dlf.in with a copy marked to evoting@karvy.com. The documents should reach the Scrutinizers on or before the close of working hours on **July 22, 2015 (Wednesday)**.

(b) In case of Members receiving physical copy of the Postal Ballot Form

(i) Initial password, alongwith User ID and e-Voting Event Number is provided in the table given in the Postal Ballot Form.

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

(c) Other instructions

(i) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of **https://evoting.karvy.com** or contact Mr. Varghese P.A. of Karvy Computershare Private Limited, at 040-44655000 OR at Tel. No. 1800 345 4001 (toll free).

(ii) If you are already registered with Karvy for e-voting then you can use your existing user ID and password for casting your vote.

7. As per Section 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014, members who have registered their e-mail IDs with depositories or with the Company are being sent this Notice of Postal Ballot by e-mail and the members who have not registered their e-mail IDs will receive Notice of Postal Ballot along with Physical Ballot through post/ courier. Members who have received Postal Ballot Notice by e-mail and who wish to vote through Postal Ballot Form can download the Postal Ballot Form from the link https://evoting.karvy.com or www.dlf.in or seek duplicate Postal Ballot Form from Karvy Computershare Private Limited, Registrar & Share Transfer Agent, Unit: DLF Limited, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, fill in the details and send the same to the Scrutinizers.

8. Upon completion of scrutiny of the forms, the Scrutinizers will submit their report to the Chairman/Vice-Chairman/ Whole-time Director or to any person authorized by any of them. The result of the Postal Ballot shall be declared by the Chairman/Vice-Chairman/Whole-time Director or by any person authorized by any of them, on **Friday, 24th July, 2015** at **5.30 P.M.** at the registered office of the Company. The resolutions will be taken as passed effectively on the date of announcement of the result. 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, intimated to the stock exchanges and shall also be hosted on the website of the Company **www.dlf.in** along with the Scrutinizers' report.

9. All relevant documents referred in the Statement and Reasons are open for inspection at the registered office of the Company on all working days between 2.00 P.M. to 4.00 P.M. upto the date of declaration of the result of Postal Ballot.

STATEMENT AND REASONS FOR THE PROPOSED RESOLUTIONS PURSUANT TO SECTION 102 READ WITH SECTION 110 OF THE COMPANIES ACT, 2013

Item No. 1

In order to augment long-term resources for business needs and to reduce reliance on the banking system, the Company intends to issue non-convertible debentures ("NCDs") including subordinated debentures, bonds and/or other debt securities to banks/financial institutions/mutual funds/body corporate(s) and/ or other persons upto ₹ 5,000 crores (Rupees Five thousand crores only). The Company may offer or invite subscription for NCDs including subordinated debentures, bonds and/or other debt securities, in one or more series and/or tranches through private placement on preferential basis with authority to the Board to determine the terms and conditions, including the issue price, interest rate, repayment, security, currency or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board of Directors (the "Board") in its absolute discretion deems fit.

Pursuant to the provisions of Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company offering or making an invitation to subscribe to secured/unsecured redeemable NCDs, on a private placement basis is required to obtain the prior approval of shareholders by way of a special resolution. Such an approval can be obtained once a year for all the offers and invitation made for such NCDs during the year.

The Shareholders vide their resolution dated September 10, 2014 had accorded their approval to offer or invite subscription

to NCDs upto ₹ 5,000 crores (Rupees Five thousand crores only) in one or more series/tranches. Pursuant to such resolution, the Board in its meeting held on 20th May, 2015 has approved issuance of NCDs upto ₹ 2,500 crores (Rupees two thousand five hundred crores only). However, pursuant to the Companies (Prospectus and Allotment of Securities) Rules, 2014, the shareholders resolution dated September 10, 2014 is valid only upto September 9, 2015 and hence the Company requires a fresh approval of the shareholders for any issuance of NCDs post September 9, 2015.

The proceeds of above securities are intended to be utilized for business purposes including repayment of bank debts in order to reduce the interest cost and to reduce reliance on the banking system keeping in mind as well as to be in line to the Reserve Bank of India advisory suggesting large corporates to have certain minimum extent of their borrowings from corporate debt market.

No Directors, Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board commends the resolution for approval of the members as a *special resolution*.

Item No. 2

The Board of Directors (the "Board") of the Company on the recommendation of the audit committee, approved the appointment of M/s R.J. Goel & Co., cost accountants to conduct the audit of cost records pertaining to real estate development activities of the Company for the financial year ended 31st March, 2015.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor, as recommended by the audit committee and approved by the Board has to be ratified by the members of the Company. Accordingly, consent of the members is being sought by way of an ordinary resolution for ratification of the remuneration paid to the cost auditor for the financial year 2014-15.

No Directors, Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board commends the resolution for approval of the members as an *ordinary resolution*.

Item No. 3

The members may please note that as per Article 89 of the Articles of Association ("AOA") of the Company, it is permitted to appoint upto 15 (fifteen) directors.

The Board of the Company (the "Board") currently comprises 14 (fourteen) directors, out of which 8 (eight) directors are independent. Given the geographic spread of the Company's business, the emerging economic scenario, provisions in the Companies Act, 2013 and revised Clause 49 of the equity listing agreement, the Company is looking for further guidance from directors in specific functional areas including but not limited to corporate social responsibilities and corporate governance etc. In light of the above, it is recommended that the Company's Board be further strengthened by appointing directors beyond the current maximum permissible limit. Such increase will benefit the Company as the new directors will add significant value to the businesses of the Company with their multi-faceted skills, varied and rich experience in diverse specialisations. Accordingly, it is proposed to increase the number of directors from 15 (fifteen) to 18 (eighteen), thereby mandating an amendment to the AOA.

Section 149 of the Companies Act, 2013 (the "Act") read with the rules made thereunder provides that the Company may appoint more than 15 (fifteen) directors after obtaining approval of the shareholders by way of a special resolution. Accordingly, the consent of the shareholders is being sought by way of special resolution for increase in the number of directors to 18 (eighteen).

Pursuant to Section 149(13) of the Act, independent directors are not liable to retire by rotation. Further Section 152(6) of the Act stipulates that atleast 2/3rd of the total number of directors of a public company should be liable to retire by rotation and out of such directors, 1/3rd should retire by rotation at every annual general meeting of the Company. As per the existing AOA, the position of Chairman and that of Managing Director are non-retiring, however, from a strategic and operational perspective, Article 102 and 125(2) of the AOA are proposed to be amended to provide that except the Chairman and the Vice Chairman of the Company, all other non-independent directors (including Managing Director/Whole-time Director) shall be liable to retire by rotation.

Save and except the Chairman and the Vice-Chairman of the Company and their relatives, no other Directors, Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board commends the resolution for approval of the members as a *special resolution*.

Item No. 4

The members of the Company at their annual general meeting held on 28th September, 2010 had authorized payment of commission to non-executive directors of the Company at a rate not exceeding 1% of the net profits of the Company for a period of 5 (five) years commencing from 1st April, 2010. The approval was valid upto and including the financial year ended 31st March, 2015.

In terms of the provisions of Section 197 of the Companies Act, 2013 (the "Act") read with the Articles of Association of the Company, it is proposed to seek approval of the shareholders to continue payment of commission to non-executive directors. The Board of Directors (the "Board") will determine each year the specific amount to be paid as commission to the non-executive directors, which shall not exceed 1% of the net profits of the Company for that year, as computed in the manner referred to in Section 198 of the Act. The payment of commission would be in addition to the sitting fees payable for attending meetings of the Board, the committees thereof and other meetings of directors, if any.

Save and except all non-executive directors of the Company and their relatives, no other Directors, Key Managerial Personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board commends the resolution for approval of the members as a *special resolution*.

By Order of the Board
for **DLF LIMITED**

New Delhi
5th June, 2015

Subhash Setia
Company Secretary