



April 18, 2022

BSE Limited,
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited,
Listing Department
“Exchange Plaza”
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

Scrip Code: 540173

Symbol: PNBHOUSING

**Subject: Intimation under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)-
Notice of Postal Ballot**

Dear Sir(s),

Pursuant to Regulation 30 of the SEBI Listing Regulations, please find enclosed Postal Ballot Notice dated April 13, 2022 which is being sent to shareholders of PNB Housing Finance Limited (“Company”), seeking their approval by way of an ordinary resolution through remote e-voting for Approval of material related party transactions with Punjab National Bank and PNB Gilts Limited.

The relevant details around e-voting are mentioned herein below:

| | |
|--|---|
| Cut-off date for determining the Members entitled to vote | Wednesday, April 13, 2022 |
| Date of Dispatch of Notice to Members whose name appears on the register of Members as on April 13, 2022 | Monday, April 18, 2022 |
| Commencement of remote e- voting period | Tuesday, April 19, 2022 at 9:00 A.M. |
| End of remote e-voting period | Wednesday, May 18, 2022 at 5:00 P.M. |

The Notice is also available on the Company's website www.pnbhousing.com, the website of Stock Exchanges i.e. www.bseindia.com and www.nseindia.com and on the website of NSDL at www.nsdl.co.in.

You are requested to kindly take the same on your records.

Thanking you

For PNB Housing Finance Limited

SANJAY JAIN
Digitally signed by SANJAY JAIN
DN: cn=Personal,
2.5.4.20=65ada7397c3d225ad729940cbb
9753a92cf6e638308ce94e19619b4486
9092, postalCode=110092, st=Delhi,
serialNumber=6acc8353569b38f2d8942
5d50a3b042ec4a60aaa167ca2254eb933
94f670dd96, cn=SANJAY JAIN
Date: 2022.04.18 10:59:39 +05'30'

Sanjay Jain
Company Secretary & Head Compliance
Membership Number: F2642

Regd. Office: 9th Floor, Antriksh Bhavan, 22 Kasturba Gandhi Marg, New Delhi – 110 001
Phone: 011 – 23736857, E-mail: investor.services@pnbhfl.com, Website: www.pnbhousing.com
CIN: L65922DL1988PLC033856



Registered Office: 9th Floor Antriksh Bhawan, 22 K G Marg, New Delhi-110001
Tel. No.: +91 011-23736857, **E-mail:** investor.services@pnbhousing.com
CIN: L65922DL1988PLC033856, **Website:** www.pnbhousing.com

NOTICE OF POSTAL BALLOT

[Notice Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014]

Dear Members,

Notice is hereby given, pursuant to Section 110 and Section 108 of the Companies Act, 2013 (the "Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (the "Management Rules"), General Circular Nos 14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021 and 20/2021 issued by the Ministry of Corporate Affairs ("MCA") dated April 08, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, June 23, 2021 and December 08, 2021 respectively, ("MCA Circulars"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "Listing Regulations") and other applicable provisions of the Companies Act, 2013 and the Rules, Circulars, Notifications thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Secretarial Standards –II on General Meeting (SS-2) issued by the Institute of Company Secretaries of India (ICSI) and other applicable provisions, if any, for seeking approval of the Members of PNB Housing Finance Limited ("the Company") through Postal Ballot only by voting through electronic means for the resolutions proposed to be passed as an Ordinary Resolution(s) set out hereinafter.

In compliance with the aforesaid provisions and the MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to all its Members whose email addresses are registered with the Company/Depositories and the communication to assent/dissent of the Members on the resolutions proposed in this Notice will only take place through the remote e voting system. If your email address is not registered with the Company/Depositories, please follow the process provided in the notes.

The Explanatory Statement pursuant to section 102 of the Act pertaining to the proposed resolution setting out the material facts and the reasons thereof is annexed hereto for your consideration.

Pursuant to Rule 22(5) of the Management Rules, the Company has appointed Dr. S. Chandrasekaran (Membership No. FCS 1644, CP NO. 715) failing him Mr. Rupesh Agarwal (Membership No. ACS 16302, CP NO. 5673), failing him Mr. Shashikant Tiwari (Membership No, ACS 28994, CP. No. 13050), Partners of M/s Chandrasekaran Associates, Company Secretaries, New Delhi as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.

In accordance with Regulation 44(1) of Listing Regulations and Section 108, 110 of the Act read with Rule 20, 22 of Management Rules, the Company is pleased to offer facility of voting by electronic means ("remote e-voting") to its Members to enable them to cast their votes through remote e-voting. The Members holding equity shares of the Company are requested to follow the procedure as stated in the notes and instructions for casting of votes by e-voting.

Upon completion of the votes cast through remote e-voting, the Scrutinizer will submit his report along with scrutinizer register and other related papers to the Chairman of the Company or in his absence to any official of the Company as authorised. The results of the Postal Ballot will be announced and communicated to BSE Limited (the "BSE") and National Stock Exchange of India Limited (the "NSE"), (the "Stock Exchanges") where the equity shares of the Company are listed within the prescribed timelines. The results

of the Postal Ballot will also be displayed on the Company's website (www.pnbhousing.com) and on the website of National Securities Depository Limited ("NSDL"). The results would also be displayed at the registered office of the Company.

Special Business

1. Approval of material related party transactions with Punjab National Bank and PNB Gilts Limited

To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter referred to as "Listing Regulations") and any other applicable provisions, including any amendment, modification, variation or re-enactment thereof, the Members of the Company do hereby ratify as also accord further approval to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee(s) constituted/ to be constituted by the Board, from time to time, to exercise its powers conferred by this resolution), for entering into and/ or carrying out and/or continuing with contracts, arrangements and transactions (whether individual transaction or transactions taken together or series of transactions or otherwise) with Punjab National Bank ("PNB") and PNB Gilts Limited, being related parties, whether by way of renewal(s) or extension(s) or modification(s) of earlier contract/arrangements/ transactions or otherwise, with respect to (i) Banking Transactions/ loan transactions/ credit facility/term deposit/investment in securities issued by the Company (ii) assignment/ securitisation/ sale of loan assets (iii) sale/purchase of securities (iv) Acceptance/Placing of Fixed Deposits (v) Payment of Royalty fee (vi) Any other transactions including transactions as may be disclosed in the notes forming part of the financial statements for the relevant period on an ongoing basis, whether individually and/or in the aggregate, may exceed 10% of the annual consolidated turnover as per the Company's last audited financial statements or any other materiality threshold as may be applicable under law/ SEBI Regulations from time to time.

RESOLVED FURTHER THAT the Members of the Company do hereby ratify and also accord further approval to the Board to sign and execute all such documents, agreements and writings and to do all such acts, deeds, matters and things as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to any Committee of Directors and/or director(s) and/or officer(s) of the Company, to give effect to this resolution."

By order of the Board

**sd/-
(Sanjay Jain)
Company Secretary & Head Compliance
Membership Number: F2642**

Date: April 13, 2022
Place: New Delhi

Notes:

1. A Statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013 and rules made thereunder stating material facts and reasons for the proposed resolutions in respect of the special business is annexed hereto for your kind consideration.
2. In view of the ongoing COVID-19 pandemic and the provisions of MCA Circulars dated April 08, 2020, April 13, 2020 and December 08, 2021, the Company has sent this Postal Ballot Notice only through email to all the Members, whose names appear in the Register of Members/List of beneficial Owners as received from Depositories as on Wednesday, April 13, 2022 (cut-off date) and who have registered their email addresses with the Company/Depository Participant (DP). A person who is not a Member on the relevant cut-off date should treat this notice for information purpose only.
3. Members holding shares in physical form and also those members who have not yet registered their email addresses are requested to register the same. The process for those shareholders whose email addresses are not registered with the Company/Registrar and Transfer Agents/ Depositories Participants/Depositories, may request for procuring user id and password to evoting@nsdl.co.in and registration of e mail ids for e-voting for the resolutions set out in this Notice:
 - In case shares are held in physical mode please provide Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to rnt.helpdesk@linkintime.co.in.
 - In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to RTA/to their depository participant.
4. Members may note that this Notice will be available on the Company's website www.pnbhousing.com, and also at the website of the Stock Exchange(s) i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com, www.nseindia.com, respectively and also at the website of National Securities Depositories Limited at www.evoting.nsdl.com.
5. On account of the threat posed by the COVID 19 pandemic and in terms of the MCA Circulars, the Company will send this Postal Ballot Notice in electronic form only. The hard copy of this Notice along with the Postal Ballot Form and pre-paid business envelope will not be sent to the Members for the Postal Ballot Notice in accordance with the requirements specified under the MCA Circulars. Accordingly, the communication of the assent or dissent of the Members would take place through e-voting system only.
6. Dispatch of the Postal Ballot Notice and the Explanatory Statement shall be announced through an advertisement in at least 1 (one) English newspaper and at least 1 (one) Hindi newspaper, each with wide circulation in the State of Delhi, where the registered office of the Company is situated, and publish the same on the Company's website.
7. All the relevant documents referred to in the accompanying Notice and the Explanatory Statement will be open for inspection by the Members at the Registered Office of the Company during working hours on all working days, except Saturdays, Sundays and National Holidays between 11:00 a.m. and 1:00 p.m. upto the date of declaration of the result of Postal Ballot and any Member interested in inspection may write to investor.services@pnbhousing.com.
8. The voting rights of Members for electronic voting shall be in proportion to the paid up value of their shares in the equity share capital of the Company as on cut-off date i.e. closing of business hours of April 13, 2022. Voting Rights in the Postal Ballot cannot be exercised by a proxy. There will be one e-vote for every Folio/Client ID irrespective of the number of joint holders.
9. In compliance with the provisions of Sections 108 and 110 of the Act and Rule 20 and 22 of the Rules, Regulation 44 of the Listing Regulations and MCA Circulars, the Company is pleased to provide voting by

electronic means (“remote e-voting”) facility to the Members, to enable them to cast their votes electronically on the resolution mentioned in the Notice. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide e-voting facility to its Members.

10. It is clarified that if a Member fails to provide or update relevant e-mail address to the Company, their Registrars and Transfer Agents or Depositories/Depository Participants, as the case may be, within the prescribed timelines, the Company will not be in default for not delivering the notice via e-mail.

11. 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 www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote, Assistant Manager at evoting@nsdl.co.in

12. Voting Options

INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

Some of the important details regarding the remote e-voting facility are provided below.

| | |
|---|---|
| Cut-off date for determining the Members entitled to vote | Wednesday, April 13, 2022 |
| Commencement of remote e- voting period | Tuesday, April 19, 2022 at 9:00 A.M. |
| End of remote e-voting period | Wednesday, May 18, 2022 at 5:00 P.M. |

The remote e-voting module shall be disabled by NSDL after 05:00 P.M. on Wednesday, May 18, 2022 for voting thereafter.

13. Once the vote on resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again. Mr. Sanjay Jain, Company Secretary and Head Compliance of the Company shall be responsible for addressing the grievances of

members connected with the e-voting for postal ballot.

14. Voting through electronic means

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of share holders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDeAS ’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ Access to e-Voting ” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. |

| | |
|-------------------------|--|
| | <p>2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> |
| Individual Shareholders | <p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and</p> |

| | |
|--|---|
| holding securities in demat mode with CDSL | <p>password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p> |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43 |

B: Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders/Members' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in to <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can

proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

| Manner of holding shares i.e. (NSDL or CDSL) Physical | Demat or | Your User ID is: |
|--|----------|---|
| a. For Members who hold shares in demat account with NSDL. | | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b. For Members who hold shares in demat account with CDSL. | | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c. For Members holding shares in Physical Form. | | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 119704 then user ID is 119704001*** |

5. Your password details are given below:

- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c. How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial

- password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below: Cast your vote electronically on NSDL e-voting system

How to cast your vote electronically on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- After click on Active Voting Cycles, you will be able to see all the companies "EVEN" (E-Voting Event Number) in which you are holding shares and whose voting cycle is in active status.
- Select "EVEN" of PNB Housing Finance Limited i.e. 119704 for which you wish to cast your vote.
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.

2. 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 www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote, Assistant Manager at evoting@nsdl.co.in

15. The Company has appointed Dr. S. Chandrasekaran (Membership No. FCS 1644, CP NO. 715) failing him Mr. Rupesh Agarwal (Membership No. ACS 16302, CP NO. 5673), failing him Mr. Shashikant Tiwari (Membership No, ACS 28994, CP. No. 13050), Partners of M/s Chandrasekaran Associates, Company Secretaries, New Delhi as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
16. The Scrutinizer shall after the conclusion of voting will submit his Report of the votes cast to the Chairman or a person authorized by him in writing or the Company Secretary.
17. The resolution, if passed by requisite majority, shall be deemed to have been passed on the last date for e-voting i.e. Wednesday, May 18, 2022. The result will be submitted to the Stock Exchanges where shares of the Company are listed and will also be displayed along with the Scrutinizers' Report on website of the Company i.e. www.pnbhousing.com.

Annexure to the Notice

EXPLANATORY STATEMENT (Pursuant to the provisions of Section 102 of the Companies Act, 2013)

ITEM NO. 1

The provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter referred to as "Listing Regulations") requires shareholders' approval by means of an ordinary resolution for all material related party transactions, including transactions that are in the ordinary course of business of the concerned company.

A transaction with a related party shall be considered material under the Listing Regulations, if the transaction(s) in a contract to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the company or any other materiality threshold prescribed by any law other applicable law.

A transaction pertaining to payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed the limit as stipulated under Regulation 23 of the Listing Regulations.

The Company enters into various banking transactions with PNB including which are disclosed in the notes forming part of the financial statements. The aforementioned transactions in terms of aggregate value do exceed 10% of the Company's annual consolidated turnover for the relevant year. These transactions have been on a continuous basis with PNB being a large bank. These are expected to exceed the prescribed threshold limits under the Listing Regulations so as to qualify as material related party transactions. Going forward, the Company intends to continue such transactions with PNB.

Similarly, the sale and purchase of securities with PNB Gilts Limited (subsidiary of PNB) could exceed the materiality threshold as well.

As per Regulation 23 of the Listing Regulations, approval of the Members is sought for ratification

of the arrangements/ transactions undertaken whether by way of continuation/ extension/ renewal/ modification of earlier arrangements/ transactions.

The Company proposes to obtain approval of its Members for ratifying and also for giving approval to the Board for carrying out and/or continuing with the following arrangements and transactions with PNB and PNB Gilts Limited:

- i. Banking Transactions/ loan transactions/ credit facility/term deposit/sale and purchase of securities
- ii. Assignment/ securitization
- iii. Royalty fee
- iv. Acceptance/Placing of Fixed Deposit
- v. Any other transactions including transactions as may be disclosed in the notes forming part of the financial statements for the relevant period.

The above stated transactions with related parties fall within the purview of the Listing Regulations and all these transactions in aggregate, are material related party transactions under the Listing Regulations. These transactions are in the ordinary course of business and on an arm's length basis.

The Board of Directors recommends this resolution for the approval of members as an ordinary resolution.

Except Nominee Directors of PNB, no other Director or Key Managerial Personnel of the Company or their relatives, other than to the extent of their shareholding in the Company, if any, are in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 1 of this Notice.

The Members may please note that in terms of the provisions of the Listing Regulations, no related party/ies shall vote to approve on the resolution under Item No.1.

By order of the Board

**sd/-
(Sanjay Jain)
Company Secretary &
Head Compliance
Membership Number: F2642**

Date: April 13, 2022
Place: New Delhi

Annexure A

The details required as under the Listing Regulations in connection with the Material Related Party Transactions are given below:

(Pursuant to Reg. 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015)

| Name of the Related Party | Punjab National Bank and PNB Gilts Limited | | | |
|--|---|--|--|---|
| I. Value and Type of Transaction: Aggregate value of fresh transactions with PNB and PNB Gilts is as per details mentioned herein below: | | | | |
| Term Loan/OD/CC | INR 4,000 Crore | | | |
| NCDs | INR 2,500 Crore | | | |
| CPs | INR 2,500 Crore | | | |
| External Commercial Borrowings | USD 200 Million | | | |
| Assignment/ Securitisation/ Sale of loan assets | INR 2,000 Crore | | | |
| Placing/Renewal of Fixed Deposits | INR 5,000 Crore | | | |
| Royalty Fee | As per trademark agreement | | | |
| Other Day to day banking Transactions | On regular basis, limits cannot be quantified | | | |
| Any other transactions including transactions as may be disclosed in the notes forming part of the financial statements for the relevant period. | NA | | | |
| Sale/Purchase of securities | INR 1000 Crore | | | |
| II. Type, Tenure, Rate of Interest, repayment, security and other covenants of the Transactions | | | | |
| Type of transaction | Tenure | Interest Rate | Security | Repayment |
| Rupee Term Loan / Foreign Currency Term Loan | 1 to 7 year | Bank's MCLR / Repo rate / any other benchmark as per market practice + spread + hedging cost (if applicable) through PNB | Secured vide exclusive charge on specific book debts with security cover of not less than 1.1 times of outstanding loan | Quarterly / Half yearly / annual / Bullet on maturity |
| Investment by way of Fixed Deposit | 7 days to 365 days | Rates provided by bank's treasury | Unsecured | On maturity |
| External Commercial Borrowing (ECB) | Upto 10 years | LIBOR / SOFR / any other benchmark as per market practice + spread | Secured vide exclusive charge on specific book debts with security cover of not less than 1.1 times of outstanding loan | Quarterly / Half yearly / annual / Bullet on maturity |
| Overdraft / Cash Credit Facility (CC) / Working Capital Demand Loan (WCDL) / Short Term Loan (STL) / as part of line of credit | Upto one year | Bank's MCLR / Repo rate / any other benchmark as per market practice + spread | Secured vide exclusive charge on specific book debts with security cover of not less than 1.1 times of sanctioned amount | Overdraft and CC – utilization minimum 1 day to 365 days WCDL / STL - Bullet |
| | | Bank's MCLR / Repo rate / any other | | |

| | | | | |
|---|--|--|--|---|
| Foreign Currency Term Loan (FCTL) as part of line of credit | | benchmark as per market practice + spread + hedging cost through PNB | Secured vide exclusive charge on specific book debts with security cover of not less than 1.1 times of sanctioned amount | repayment on maturity FCTL – on maturity |
| Assignment of loan receivables | Contractual maturity of the pool which may be assigned | Bank's MCLR / Repo rate / any other benchmark as per market practice + spread | Not applicable | Not applicable |
| Servicer Fee for assignment of loan receivables | As long as pool receivables are outstanding | Not exceeding 2.5% pa of the outstanding receivables to be billed on monthly basis | Not applicable | Not applicable |
| Purchase and Sale of securities from / through PNB Gilts Limited | Upto 10 year Central Govt. Securities (G-Sec) / State Development Loan (SDL) Upto 1 Treasury Bills (T-Bill) | As per then prevailing market rates for G-Sec / SDL As per then prevailing market rates T-Bill | Not applicable | Not applicable |
| III. Material terms and Justification as to why the related party transaction is in the interest of the listed entity, material terms and tenure | | <p><u>Fund Based/Non Fund Based Facility</u> The Company borrows money from various banks to meet the funding requirements and/or for general corporate purpose. The interest payment and fee payment are consequential to the transactions originating out of principal transactions in the form of loan, guarantees, cash credit etc. Therefore, the quantum of such consequential transactions depends on the value of the principal transaction.</p> <p><u>Assignment of Loans</u> The Company may undertake to sell, assign assets including receivables / book debts of the Company in favour of banks/ financial institutions in accordance with RBI regulations and policies of the Company.</p> <p><u>Fixed Deposits</u> The Company may create fixed deposits with PNB at competitive rates.</p> <p><u>Maintaining the current account/banking transactions</u> The Company maintains current account with PNB for regular business activities of the Company. Banking charges are levied in relation to the account maintained and banking services availed, basis standard terms and conditions as offered by PNB to its customers.</p> <p><u>Sale and Purchase of securities</u> These transactions will be carried out as per the prevailing market price/fair value of securities from time to time as per competitive prices. These transactions are regular business transactions of Company.</p> | | |

| | |
|--|---|
| | PNB is one of the largest PSU banks in India and it is in the interest of the Company to have PNB as one of the lenders to ensure availability of resources. The aforesaid transactions are in furtherance of the business activities, ordinary course of business and at arm's length and are in accordance with the applicable laws, therefore, in the interest of the Company. |
| IV. Nature of concern or interest of the related party (financial or otherwise) | Financial |
| V. Percentage of value of transaction/ Company's annual consolidated turnover for immediately preceding financial year (Based on consolidated turnover of FY21) | <ul style="list-style-type: none"> i. Banking Transactions is not determinable ii. Loan transactions [Commercial paper 33%, Term loans/ credit facility 53%] iii. Investment in NCDs issued by the Company 33% iv. Assignment/ Securitisation/Sale of loan assets 27% v. Acceptance/Placing of Fixed Deposits 53% vi. Sale/Purchase of securities 13% <p>The percentages are based on consolidated annual turnover of FY21.</p> |
| VI. For a related party transaction involving a subsidiary, percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis (based on turnover of FY 2021) | Not applicable |
| VII. Details of indebtedness incurred for subscription of securities | Not applicable. The Company ensures that the further investment of surplus funds is being made out of the free float of available funds. |
| VIII. Valuation or other external party report | Not applicable as the transactions are carried out at competitive and prevailing market prices. |