

NOTICE

NOTICE is hereby given that the Extraordinary General Meeting of the Members of Edelweiss Housing Finance Limited will be held on Monday, September 30, 2019 at 1.00 P.M. at the Registered Office of the Company at Edelweiss House, Off C.S.T. Road, Kalina, Mumbai - 400098 to transact the following businesses:

Item No. 1 - Appointment of Mr. Rajat Avasthi as a Director and Managing Director & Chief Executive Officer (CEO) of the Company

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

“RESOLVED THAT subject to approval of the National Housing Bank and such other statutory approvals as may be required and pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force (the Rules), including any Guidelines and Circulars issued in this regard from time to time, approval of the Members of the Company be and is hereby accorded to the appointment of Mr. Rajat Avasthi (DIN - 07969623), who had been appointed as Chief Executive Officer (CEO) of the Company with effect from October 25, 2018, as a Director, and as the Managing Director & CEO of the Company for a period of three years, with effect from the date of approval of NHB, on the terms and conditions as mentioned herein below, including remuneration, which may exceed the limits prescribed under the Act, read with Schedule V:

- (a) Salary Limit: Not to exceed Rs. 1,50,00,000/- per annum;
- (b) Performance Bonus: In addition to salary, performance-based bonus, up to 200 % of salary Limit, may also be paid and at such intervals as may be decided by the Board of Directors of the Company; and
- (c) Perquisites: In addition to the salary and the performance bonus, Mr. Rajat Avasthi shall also be entitled to the perquisites.

FURTHER RESOLVED that the approval of Members of the Company be and is hereby accorded for payment of aforesaid remuneration to Mr. Rajat Avasthi, even in case of inadequacy or absence of profits, which may exceed the limits prescribed under Section 197 of the Companies Act, 2013 read with Schedule V to the Act and the office of Mr. Rajat Avasthi shall be liable to determination by rotation;

FURTHER RESOLVED THAT that the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) be authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or expedient in the interest of the Company and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company.”

Item No. 2 - Appointment of Mr. Krishnaswamy Siddharth as Executive Director

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force (the Rules), including any Guidelines and Circulars issued in this regard time to time, approval of the Members of the Company be and is hereby accorded for the appointment of Mr. K. Siddharth (DIN - 02463804), who had been acting as a Non-Executive Director of the Company with effect from July 20, 2015, as the Executive Director of the Company for a period of 1 (one) year on the terms and conditions as mentioned hereunder, including remuneration, which may exceed the limits prescribed under the Act, read with Schedule V:

- (a) Salary Limit: Not to exceed Rs. 1,50,00,000/- per annum;
- (b) Performance Bonus: In addition to salary, performance-based bonus, up to Rs. 2,00,00,000 may also be paid and at such intervals as may be decided by the Board of Directors of the Company; and
- (c) Perquisites: In addition to the salary and the performance bonus, Mr. K. Siddharth shall also be entitled to the perquisites.

FURTHER RESOLVED that the consent of Members be and is hereby accorded for payment of aforesaid remuneration to Mr. K. Siddharth, even in case of inadequacy or absence of profits, which may exceed the limits prescribed under Section 197 of the Companies Act, 2013 read with Schedule V to the Act and the office of Mr. K. Siddharth shall be liable to determination by rotation;

FURTHER RESOLVED THAT that the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) be authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or expedient in the interest of the Company and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company.”

**By Order of the Board
For Edelweiss Housing Finance Limited**

Mumbai, September 18, 2019



Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY SHALL NOT VOTE EXCEPT ON A POLL. A PERSON CAN ACT AS PROXY FOR AND ON BEHALF OF A MAXIMUM OF FIFTY (50) MEMBERS NOT HOLDING, IN AGGREGATE, MORE THAN TEN PERCENT OF THE TOTAL PAID-UP SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL PAID-UP SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. A PROXY FORM FOR THE EXTRAORDINARY GENERAL MEETING ('EGM') IS ENCLOSED HEREWITH. THE INSTRUMENT APPOINTING PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the special business is annexed hereto.
3. Corporate Members intending to send their Authorized Representative to attend the Meeting are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Extra-Ordinary General Meeting.
4. Members / Proxies should fill in the attendance slip for attending the Meeting. Proxies form as prescribed under the Companies Act, 2013 is enclosed.
5. All documents referred to in the accompanying Notice and Explanatory Statement and the Register as prescribed under Companies Act, 2013 are open and available for inspection at the Registered Office of the Company on all working days between 11:00 a.m. and 1:00 p.m., up to the date of this Meeting.
6. This meeting is being convened at a shorter notice with the consent of majority in number of members entitled to vote and who represent not less than 95% of such part of the paid-up share capital of the Company as gives a right to vote at the meeting in accordance with Section 101 of the Companies Act, 2013.
7. Landmark for location of meeting is Windsor lane. Map of the location is annexed herewith.

Mumbai, September 18, 2019

**By Order of the Board
For Edelweiss Housing Finance Limited**


Director

Registered Office:

Edelweiss House,
Off. C.S.T. Road,
Kalina, Mumbai - 400098
CIN No.: U65922MH2008PLC182906

Annexure to the Notice dated September 30, 2019

Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013

Item No. 1:-

The Board had appointed Mr. Rajat Avasthi as Chief Executive Officer (CEO) for a period of 3 years with effect from October 25, 2018, on the following terms and conditions:

- (a) Salary Limit: Not to exceed Rs. 1,50,00,000/- per annum;
- (b) Performance Bonus: In addition to salary, performance based bonus, up to 200 % of salary Limit, may also be paid and at such intervals as may be decided by the Board of Directors of the Company; and
- (c) Perquisites: In addition to the salary and the performance bonus, Mr. Rajat Avasthi shall also be entitled to the perquisites.

In line with internal re-organization and to have a further broad-based Board of Directors of the Company, the Board, on the recommendation of the Nomination and Remuneration Committee appointed Mr. Rajat Avasthi (DIN: 07969623), as Additional Director and MD & CEO, on September 18, 2019, subject to approval of NHB and other statutory approvals and the approval of the Members. The Company has received consent from Mr. Rajat Avasthi to act as Director and MD & CEO of the Company.

Accordingly, the Members are requested to consider the appointment of Mr. Rajat Avasthi (DIN - 07969623), who had been appointed as CEO with effect from October 25, 2018, as Director and MD & CEO of the Company, for a period of three years on the same terms and conditions mentioned above, subject to receipt of approval from the National Housing Bank (NHB). The appointment would be effective from the date of receipt of approval from the NHB. The Company is yet to receive approval of NHB and the resolution would be considered only if approval of NHB is received till the date of EGM.

Brief terms and conditions of appointment:

Mr. Rajat Avasthi as MD & CEO of the Company shall perform such duties and responsibilities as may be assigned to him from time to time by the Board of Directors, for such remuneration as more particularly provided in the resolution. His appointment as MD & CEO is for a period of three years, and is liable to retire by rotation.

DISCLOSURES:

I. General Information about the Company:

(1) Nature of industry -

The Company is registered as a non-deposit accepting housing finance company with the National Housing Bank under Section 29A of the National Housing Bank Act, 1987. The Company has obtained a Certificate of Registration dated March 18, 2010 bearing registration no. 03.0081.10 issued by the National Housing Bank, to commence/carry on the business of a housing finance institution without accepting public deposits subject to the conditions mentioned in the Certificate of Registration under Section 29A of the National Housing Bank Act, 1987.

(2) Date or expected date of commencement of business operations -

The Company was originally incorporated on May 30, 2008 as a public limited company under the provisions of the Companies Act, 1956 as Edelweiss Housing Finance Limited and received a certificate of incorporation dated May 30, 2008 and a certificate of commencement of business on June 12, 2008. The Corporate Identification Number of the Company is U65922MH2008PLC182906.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable

(4) Financial performance based on given indicators:

As per the audited financial statements for the year ended March 31, 2019, the Company's total income stood at Rs. 665.89 crore and profit after tax stood at Rs. 62.46 crore.

(5) Foreign investments or collaborations, if any:

The Company currently has no foreign investors or foreign collaborators.

II. Information about the appointee Mr. Rajat Avasthi:

(1) Background details/brief profile/Recognition or awards, if any:

Mr. Rajat Avasthi is a MBA from University Business School, Chandigarh and holds graduation degree in Bsc. from University of Punjab. Mr. Rajat Avasthi has over 21 years of experience in Sales and Marketing. He started his career with Asian Paints, where he worked for 18 years with roles in Sales and Corporate Marketing. He also worked on building a market entry strategy for Asian Paints' entry into Indonesia.

Prior to joining Edelweiss, he was associated with Vodafone as the CEO of their business in Punjab, Himachal Pradesh and Jammu & Kashmir. Prior to that he was head of Sales and Marketing for Mumbai, their biggest market.

(2) Past remuneration:

Mr. Avasthi who was appointed as the Chief Executive Officer of the Company with effect from October 25, 2018 and received remuneration of Rs. 4.78 crore for the year ended March 31, 2019.

(3) Job profile and his suitability:

Mr. Avasthi as MD & CEO shall be entrusted with substantial powers of management of the affairs of the Company and shall perform such duties and responsibilities as may be assigned to him from time to time by the Board of

Directors, subject to the superintendence, control and directions of the Board and/or the sectoral regulator.

Considering the qualifications, experience and nature of his expertise, the Board, on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mr. Rajat Avasthi, as Additional Director and as Managing Director & CEO.

(4) Remuneration proposed:

The overall remuneration is as detailed in the resolution in respect thereto.

(5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

Considering the industry practices, the size of the Company, and the candidature of Mr. Avasthi, the remuneration of Mr. Avasthi is as per industry standard.

(6) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Except for his remuneration, Mr. Avasthi has no pecuniary relationship directly or indirectly with the Company or with any other managerial personnel of the Company.

III. Other information:

(1) Reasons of loss or inadequate profits:

Considering the industry growth trend coupled with the existing liquidity crunch in the housing finance sector, the Company may not be able to make adequate profits and accordingly this resolution is proposed to be passed as enabling resolution in case of loss or inadequacy of profits.

(2) Steps taken or proposed to be taken for improvement:

The steps taken by the Government and the Reserve Bank of India (RBI) to ease liquidity is expected to gradually improve the performance of the Company. Basis the same, the Company intends to take all possible steps to improve its performance.

(3) Expected increase in productivity and profits in measurable terms:

Basis the steps taken by the Government and the RBI, the existing liquidity crunch in the industry is expected to improve, and accordingly the operations and the profits of the Company are expected to gradually improve.

The aforesaid appointment and payment of remuneration to Mr. Rajat Avasthi as Managing Director & CEO requires approval of the Members through a Special Resolution under

Sections 196, 197, 198, 203 of the Companies Act, 2013, read with relevant Rules, and further read together with Schedule V to the Companies Act, 2013, as amended from time to time.

Considering the experience and expertise of Mr. Rajat Avasthi and based on the recommendations of the Nomination and Remuneration Committee in accordance with the Remuneration Policy and parameters for consideration of remunerations, the Board, recommends the resolution as set out in the Item No. 1 of the Notice for approval of the Members as Special resolution.

Except Mr. Rajat Avasthi and his relatives, if any, being considered interested in his appointment, none of the other Directors or Key managerial personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in the resolution proposed to be passed at item no 1 of the aforesaid Notice.

The relevant copies of the resolutions passed by the Board of Directors and all other documents as mentioned herein are open and available for inspection at the Registered office of the Company on all working days between 11:00 a.m. and 1:00 p.m., up to the date of this Meeting.

Item No. 2:-

The National Housing Bank (NHB) had vide its Policy circular number NHB/ND/DRS/ Policy Circular No. 95/2018-19 ("the Circular") dated May 29, 2019, mandated the appointment of Chief Risk Officer (CRO) by all the housing finance companies, with asset size of more than Rs. 50 billion, with clearly specified role and responsibilities. Accordingly, the Board on September 18, 2019 appointed Mr. K. Siddharth as CRO for a period of 2 years with effect from October 1, 2019.

Further, the Board, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. K. Siddharth as an Executive Director of the Company for a period of 1 (one) year with effect from October 1, 2019, on September 18, 2019, subject to approval of the Members, on the terms and conditions mentioned hereunder:

- a) Salary Limit: Not to exceed Rs. 1,50,00,000/- per annum;
- b) Performance Bonus: In addition to salary, performance-based bonus, up to Rs. 2,00,00,000 may also be paid and at such intervals as may be decided by the Board of Directors of the Company; and
- c) Perquisites: In addition to the salary and the performance bonus, Mr. K. Siddharth shall also be entitled to the perquisites.

Consequent upon appointment of Mr. K. Siddharth as the CRO of the Company, his office as Non-Executive Director would be changed to that of an Executive Director.

The aforesaid appointment and payment of remuneration to Mr. K. Siddharth as an Executive Director requires approval of the Members through a Special Resolution under Section 196, 197, 198, 203 of the Companies Act, 2013, read with relevant Rules, and further read together with Schedule V to the Companies Act, 2013, as amended from time to time. The Company has received consent from Mr. K. Siddharth to act as an Executive Director of the Company.

Accordingly, the Members are requested to consider the appointment of Mr. K. Siddharth (DIN - 02463804), who had been appointed as Non-Executive Director with effect from July 20, 2015, as Executive Director of the Company, for a period of one year on the terms and conditions as mentioned above.

Brief terms and conditions of appointment

Mr. K. Siddharth as Executive Director shall perform such duties and responsibilities as may be assigned to him from time to time by the Board of Directors, at such remuneration as more particularly provided in the resolution. His appointment as Executive Director is for a period of one year with effect from October 1, 2019 and is liable to retire by rotation.

DISCLOSURES:

I. General Information about the Company:

(1) Nature of industry -

The Company is registered as a non-deposit accepting housing finance company with the National Housing Bank under Section 29A of the National Housing Bank Act, 1987. The Company has obtained a Certificate of Registration dated March 18, 2010 bearing registration no. 03.0081.10 issued by the National Housing Bank, to commence/carry on the business of a housing finance institution without accepting public deposits subject to the conditions mentioned in the Certificate of Registration under Section 29A of the National Housing Bank Act, 1987.

(2) Date or expected date of commencement of business operations -

The Company was originally incorporated on May 30, 2008 as a public limited company under the provisions of the Companies Act, 1956 as Edelweiss Housing Finance Limited and received a certificate of incorporation dated May 30, 2008 and a certificate of commencement of business on June 12, 2008. The Corporate Identification Number of the Company is U65922MH2008PLC182906.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable

(4) Financial performance based on given indicators:

As per the audited financial statements for the year ended March 31, 2019, the Company's total income stood at Rs. 665.89 crore and profit after tax stood at Rs. 62.46 crore.

(5) Foreign investments or collaborations, if any:

The Company currently has no foreign investors or foreign collaborators.

II. Information about the appointee Mr. K. Siddharth:

(1) Background details/brief profile/Recognition or awards, if any:

Mr. Krishnaswamy Siddharth is a qualified Chartered Accountant with more than 20 years of wide experience in the financial services sector where he had led key assignments across functions in Operations, Technology, Underwriting, Risk, Accounts, Legal and Compliance, Project Management, Product Management, Retail Banking, Mortgages and Personal Loans.

He joined Edelweiss from CitiBank where he was part of the management team that led the task of turning one of their group company back to profitability in an arguably toughest credit cycle coupled with severe liquidity crunch necessitating dynamic portfolio management (Origination and Securitization) requirement.

(2) Past remuneration:

Mr. K. Siddharth was the Non-Executive Director of EHFL and hence did not receive any remuneration for the FY 2018-19 from the Company.

(3) Job profile and his suitability:

Mr. K. Siddharth as Executive Director & CRO shall be entrusted with such duties and responsibilities as Chief Risk Officer as prescribed by the sectoral regulator including under Master Circular relating to Miscellaneous instructions to Housing Finance Companies (HFCs) and shall strive to follow best practices in risk management and shall perform such duties and responsibilities as may be assigned to him from time to time by the Board of Directors, subject to the superintendence, control and directions of the Board and/or the sectoral regulator.

Considering the qualifications, experience and nature of his expertise, the Board, on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mr. K. Siddharth, as Executive Director.

(4) Remuneration proposed:

The overall remuneration is as detailed in the resolution in respect thereto.

(5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

Considering the industry practices, the size of the Company and the candidature of Mr. K. Siddharth, the remuneration of Mr. K. Siddharth is as per industry standard.

(6) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Except for his remuneration, Mr. K. Siddharth has no pecuniary relationship directly or indirectly with the Company or with any other managerial personnel of the Company.

III. Other information:

(1) Reasons of loss or inadequate profits:

Considering the industry growth trend coupled with the existing liquidity crunch in the housing finance sector, the Company may not be able to make adequate profits and accordingly these resolutions are proposed to be passed as enabling resolutions in case of loss or inadequacy of profits.

(2) Steps taken or proposed to be taken for improvement:

The steps taken by the Government and the Reserve Bank of India (RBI) to ease liquidity is expected to gradually improve the performance of the Company. Basis the same, the Company intends to take all possible steps to improve its performance.

(3) Expected increase in productivity and profits in measurable terms:

Basis the steps taken by the Government and the RBI, the existing liquidity crunch in the industry is expected to improve, and accordingly the operations and the profits of the Company are expected to gradually improve.

Considering the experience and expertise of Mr. K. Siddharth and based on the recommendations of the Nomination and Remuneration Committee in accordance with the Remuneration Policy and parameters for consideration of remunerations, the Board, recommends the resolution as set out in the Item No. 2 of the Notice for approval of the Members as Special resolution.

Except Mr. K. Siddharth and his relatives, if any, being considered interested in his appointment, none of the other Directors or Key managerial personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in the resolution proposed to be passed at item no. 2 of the aforesaid Notice.

The relevant copies of the resolutions passed by the Board of Directors and all other documents as mentioned herein are open and available for inspection at the Registered office of the Company on all working days between 11:00 a.m. and 1:00 p.m., up to the date of this Meeting.

Mumbai, September 18, 2019

By Order of the Board
For Edelweiss Housing Finance Limited


Director

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

Full name of the Member attending (in block letters): _____

Name of the Proxy: _____
(To be filled in, if the proxy form has been duly deposited with the Company)

I hereby record my presence at the Extra-Ordinary General Meeting of the Company to be held on Monday, September 30, 2019 at 1.00 p.m. at Registered Office of the Company at Edelweiss House, Off C.S.T. Road, Kalina, Mumbai - 400 098, India.

No. of Shares held : _____

DP ID/Client ID No. : _____

Regd. Folio No. : _____

Member's/Proxy's Signature : _____

- Only Member/Proxy holder can attend the Meeting.
- Member/Proxy holder should bring his/her copy of the Notice and/or Annual Report for reference at the Meeting.

Signed this _____ day of _____, 2019

Form No. MGT 11
Proxy Form



[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

CIN: U65922MH2008PLC182906

Name of the Company : Edelweiss Housing Finance Limited

Registered office: Edelweiss House, Off C.S.T. Road, Kalina, Mumbai - 400098

Name of the member (s):

Registered Address:

E-mail Id:

Folio No./Client Id:

DP ID:

I/We, being the shareholder(s) ofshares of the above named company, hereby appoint:

Name:

Address:

E-mail Id:

Signature: _____, or failing him

Name:

Address:

E-mail Id:

Signature: _____, or failing him

Name:

Address:

E-mail Id:

Signature: _____

as my proxy to attend and vote (on poll) for me/us and my/our behalf at the.....at the Extraordinary General Meeting of the Company to be held on Monday, 30th day of September, 2019 at 1.00 p.m. at Edelweiss House, Off C.S.T. Road, Kalina, Mumbai - 400098 (place) and any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.:

1. Appointment of Mr. Rajat Avasthi as Director and Managing Director and Chief Executive Officer (CEO) of the Company
2. Appointment of Mr. Krishnaswamy Siddharth as Executive Director of the Company

Signed this.....day of..... 2019

Signature of Shareholder(s)

Signature of Proxy holder (s)

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



**ROUTE MAP OF THE VENUE OF THE
EXTRAORDINARY GENERAL MEETING- SEPTEMBER 30, 2019**

EGM Venue:
Edelweiss Housing Finance Limited
Edelweiss House, Off
C.S.T. Road, Kalina,
Mumbai-400 098

Prominent Landmark: University of Mumbai, Kalina

