



Ghar Ki Baat

Regd. Office: 9th Floor Antriksh Bhawan, 22 K G Marg, New Delhi-110001
Phone: 011 23736857, email: investor.services@pnbhousing.com, Website: www.pnbhousing.com
CIN: L65922DL1988PLC033856

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 of the Companies Act, 2013 (the "Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (the "Management Rules") including any statutory modification(s) or re-enactment(s) thereof for the time being in force, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "Listing Regulations"), 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") on the resolution as appended below to be passed by way of Postal Ballot which includes voting by electronic means. The Explanatory Statement pursuant to section 102 of the Act pertaining to the said resolution setting out the material facts and the reasons thereof is annexed hereto along with a Postal Ballot Form.

Pursuant to Rule 22(5) of the Management Rules, the Company has appointed Mr. Sanjay Grover, (Membership No. FCS 4223; C.P No. 3850), Managing Partner, M/s Sanjay Grover and Associates, Practicing Company Secretaries, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The Members holding equity shares of the Company are requested to carefully read the instructions enclosed with the Postal Ballot Form sent herewith and return the said Form duly completed in the attached self-addressed, postage prepaid envelope, if posted in India, so as to reach the Scrutinizer not later than closure of working hours i.e. 5.00 pm IST on May 29, 2019. Please note that any Postal Ballot Form(s) received after the said date will be treated as not having been received. The postage will be borne and paid for by the Company.

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") as an alternate to its Members to enable them to cast their votes through remote e-voting instead of returning duly filled Postal Ballot forms. 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. The Members holding equity shares of the Company have both the options of voting i.e. by remote e-voting and through Postal Ballot Form.

Upon completion of the scrutiny of the Postal Ballot Forms and 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 any official of the Company as authorised. The results of the Postal Ballot will be announced by the Chairman of the Company or in his absence any officials of the Company as authorized on Thursday, May 30, 2019 at 4.00 pm at registered office of the company at 9th floor, Antriksh Bhavan, 22, Kasturba Gandhi Marg, New Delhi – 110001 and will be 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. The results of the Postal Ballot will also be displayed on the Company's website (www.pnbhousing.com) and on the website of Central Depository Services (India) Limited ("CDSL").

Proposed Resolutions

1. Amendment in Article 86 (b) of the Articles of Association of Company

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

"RESOLVED THAT pursuant to section 14 and 110 of the Companies Act, 2013 (Act) alongwith rules made thereunder, Article 86(b) of the Articles of Association of the Company be and is hereby amended to *inter alia* insert a further category, such that the amended Article 86(b) reads as follows:

"(b) Notwithstanding anything contained in these Articles and subject to the provisions of the Act, applicable Laws:

- (i) *a Shareholder whose shareholding in the Company (on his/its own, without any aggregation with Affiliates or any other Person) is 26% (Twenty Six per cent) or more, shall have the right to nominate 2 (Two) Directors on the Board and 1 (One) Director as a member on each committee of the Board (statutory or otherwise) other than the audit committee;*
- (ii) (A) *a Shareholder whose shareholding in the Company (on his/its own, without any aggregation with Affiliates or any other Person) is 10% (Ten per cent) or more but less than 26% (Twenty Six per cent); and/or*
(B) *a Shareholder whose shareholding in the Company (along with the shareholding of his/its Affiliates) is 15% (Fifteen per cent) or more (including for the sake of clarity being 26% (Twenty Six per cent) or more);*

shall have the right to nominate only 1 (One) Director on the Board and shall have no right of nomination of any member on any committee of the Board;

It being clarified that if the shareholding of a Shareholder is such that he/it alone holds 10% (Ten per cent) or more; and along with his/ its Affiliates holds 15% (Fifteen per cent) or more, such Shareholder would have the right to nominate **only** 1 (One) Director on the Board and shall have no right of nomination of any member on any committee of the Board;

It being clarified further that if the shareholding of a Shareholder is such that he/it alone holds 10% (Ten per cent) or more; and an Affiliate of such Shareholder alone holds another 10% (Ten per cent) or more; such Shareholder and Affiliate shall have the right to nominate **only** 1 (One) Director on the Board and shall have no right of nomination of any member on any committee of the Board;

Provided where a Shareholder whose shareholding in the Company (along with the shareholding of his/its Affiliates) reduces upto 12.5% (Twelve and half per cent) from 15% (Fifteen percent) or more through natural dilution as a result of increase in Company's paid up share capital shall continue to have the right to nominate one Director on the Board and shall have no right of nomination of any member on any committee of the Board;

- (iii) (A) a Shareholder whose shareholding in the Company (on his/its own, without any aggregation with Affiliates or any other Person) is less than 10% (Ten percent); and/or
- (B) a Shareholder whose shareholding in the Company (along with the shareholding of his/ its Affiliates) is less than 15% (Fifteen per cent);

shall neither have any right to nominate any Director on the Board nor any member on any committee of the Board.

Provided where a Shareholder whose shareholding in the Company (along with the shareholding of his/its Affiliates) reduces upto 12.5% (Twelve and half per cent) from 15% (Fifteen percent) or more through natural dilution as a result of increase in Company's paid up share capital shall continue to have the right to nominate one Director on the Board and shall have no right of nomination of any member on any committee of the Board;

Where the shareholding of a Shareholder (whether on his/its own, without any aggregation with Affiliates or any other Person; or along with Affiliates where permitted) falls below the thresholds prescribed herein, then such Shareholder shall immediately offer to the Board the resignation of one/ both Director(s) and/or member on the committees of the Board (each as applicable) and the decision of the Board shall be binding on the concerned Director / member.

"Affiliate" of any Person (**"Specific Person"**) means any other Person that is, directly or indirectly, "controlling", "controlled" by, or under "common control" with such Specific Person; and in case of a Specific Person who is a natural person, any Immediate Relative of such Specific Person and any Person that directly or indirectly, through one or more intermediate Persons, is Controlled by such natural Specific Person either directly or together with his/ her Immediate Relatives.

"Immediate Relative" with respect to a Person means the father, mother, spouse and children of such Person who are dependent on such Person.

A Person shall be deemed to be **"controlling"** or in **"control"** of another Person if such first referred Person directly or indirectly through one or more of its Affiliates:

- (a) owns, more than 50% (fifty percent) of the aggregate voting securities of such other Person on a fully diluted basis; or
- (b) has the right to appoint or remove a majority of the directors or other management body of such other Person;

and the term "common control" shall be construed accordingly."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, as it may, in its absolute discretion, consider necessary in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company."

Regd. Office: 9 th Floor, Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi – 110 001	By order of the Board For PNB HOUSING FINANCE LIMITED Sanjay Jain Company Secretary and Head Compliance Membership No F2642
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Date : April 24, 2019
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 resolution are annexed hereto.
2. The Postal Ballot 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) as on the close of business hours on April 19, 2019 ('Cut-off date'). A person who is not a member on the relevant date should treat this notice for information purpose only.
3. The notice is being sent by electronic mode to those members, whose e-mail addresses are registered with the Company/ Depositories, unless any Member has

requested for a physical copy of the same. Members may note that this notice will be available on the Company's website www.pnbhousing.com

4. 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide e-voting facility to its Members.
5. Each Member can opt for only one mode of voting i.e. either by physical postal ballot or by E-voting. In case Members cast their vote by both physical postal ballot and E-voting, it may be noted that votes cast by them through E-voting shall prevail and votes cast by Physical Postal Ballot will be treated as invalid.
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 published on the Company's website.
7. Members desiring to exercise their vote by physical Postal Ballot are requested to return the said Form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer Mr. Sanjay Grover, (Membership No. FCS 4223; C.P No. 3850), Managing Partner, M/s Sanjay Grover and Associates, Practicing Company Secretaries, so that it reaches the Scrutinizer not later than by 5.00 p.m. IST on May 29, 2019. The postage will be borne by the Company. Any delay, it will be considered that no reply from the Member has been received. Additionally, please note that the Postal Ballot Forms shall be considered invalid if (i) it is not possible to determine without any doubt the assent or dissent of the Member, and/ or (ii) a competent authority has given directions in writing to the Company to freeze the voting rights of the Member, and/ or (iii) it is defaced or mutilated in such a way that its identity as a genuine form cannot be established; and/ or (iv) the Member has made any amendment to the resolution set out herein or imposed any condition while exercising his vote.
8. The e-voting period commences on April 30, 2019 (10.00 a.m. IST) and ends on May 29, 2019 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on April 19, 2019 i.e. Cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting and the voting will not be allowed thereafter. 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.

9. Voting through electronic means

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders / Members
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolution of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.

- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be

uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

10. The resolution shall be taken as passed effectively on the last date specified for the receipt of Postal Ballot forms. The result will be submitted to the Stock Exchanges where shares of the Company are listed and will also be published in at least 1 (one) English and 1 (one) vernacular newspaper circulating in the state of Delhi. The result of the Postal Ballot will also be displayed along with the Scrutinizers’ Report on website of the Company.
11. Notice of Postal Ballot along with Postal Ballot Form containing the process, instructions and the manner of conducting E -voting is being sent electronically to all the Members whose email ID’s are registered with the Company / Depository Participant(s). For Members who request for a hard copy and for those who have not registered their email addresses, physical copies of the same are being sent through the permitted mode.
12. 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 Saturday between 11:00 a.m. and 1:00 p.m. upto the date of declaration of the result of Postal Ballot.
13. In case of shares held by companies, trusts, societies etc., the duly completed postal ballot form should be accompanied by a certified true copy of board resolution/ authority to vote on the postal ballot. A member may sign the form through an attorney appointed specifically for this purpose, in which case an attested true copy of the power of attorney should be attached to the postal ballot form.

EXPLANATORY STATEMENT

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

ITEM NO. 1

As per the existing Article of Association, the right to nominate a director under Article 86 (b) of the Articles of Association of the Company (as approved by the shareholders of the Company at the Annual General Meeting held on August 2 2017) is limited to a single “Shareholder” meeting the prescribed thresholds set out under Article 86 (b) on its own (without any aggregation with affiliates etc.). With a view to enhance the right of the shareholders, the board of directors of the Company is proposing to amend Article 86(b) to *inter alia* insert a further category (Shareholder alongwith Affiliates), such that the amended Article 86(b) reads as follows:

Existing Article	Proposed Article
<p>86</p> <p>(b) Notwithstanding anything contained in these Articles and subject to the provisions of the Act, applicable Laws any Shareholder whose shareholding in the Company-</p> <p>(i) is 26% (Twenty six per cent) or more, shall have the right to nominate 2 (Two) Directors on the Board and 1 (One) Director as member on each committee of the Board (statutory or otherwise) other than the audit committee;</p> <p>(ii) is 10% (Ten per cent) or more but less than 26% (Twenty six per cent), shall have the right to nominate only 1 (one) Director on the Board and shall have no right of nomination of any member on any committee of the Board .</p>	<p>86</p> <p><i>(b) Notwithstanding anything contained in these Articles and subject to the provisions of the Act, applicable Laws any Shareholder whose shareholding in the Company-</i></p> <p><i>(i) a Shareholder whose shareholding in the Company (on his/ its own, without any aggregation with Affiliates or any other Person) is 26% (Twenty Six per cent) or more, shall have the right to nominate 2 (Two) Directors on the Board and 1 (One) Director as a member on each committee of the Board (statutory or otherwise) other than the audit committee;</i></p> <p><i>(ii) (A) a Shareholder whose shareholding in the Company (on his/ its own, without any aggregation with Affiliates or any other Person) is 10% (Ten per cent) or more but less than 26% (Twenty Six per cent); and/or</i></p> <p><i>(B) a Shareholder whose shareholding in the Company (along with the shareholding of his/its Affiliates) is 15% (Fifteen per cent) or more (including for the sake of clarity being 26% (Twenty Six per cent) or more);</i></p> <p><i>shall have the right to nominate only 1 (One) Director on the Board and shall have no right of nomination of any member on any committee of the Board;</i></p> <p><i>It being clarified that if the shareholding of a Shareholder is such that he/it alone holds 10% (Ten per cent) or more; and along with his/ its Affiliates holds 15% (Fifteen per cent) or more, such Shareholder would have the right to nominate only 1 (One) Director on the Board and shall have no right of nomination of any member on any committee of the Board;</i></p> <p><i>It being clarified further that if the shareholding of a Shareholder is such that he/it alone holds 10% (Ten per cent) or more; and an Affiliate of such Shareholder alone holds another 10% (Ten per cent) or more; such Shareholder and Affiliate shall have the right to nominate only 1 (One) Director on the Board and shall have no right of nomination of any member on any committee of the Board;</i></p> <p><i>Provided where a Shareholder whose shareholding in the Company (along with the shareholding of his/its Affiliates) reduces upto 12.5% (Twelve and half per cent) from 15% (Fifteen percent) or more through natural dilution as a result of increase in Company's paid up share capital shall continue to have the right to nominate one Director on the Board and shall have no right of nomination of any member on any committee of the Board;</i></p>

Existing Article	Proposed Article
<p>(iii) falls below 10% (Ten per cent), shall neither have any right to nominate any Director on the Board nor any member on any committee of the Board,</p> <p>In case, where the shareholding of any Shareholder falls below 26% (Twenty six per cent) but not less than 10% (Ten per cent), then such Shareholder shall immediately offer to the Board to withdraw the nomination of one of its director and member on the committee of the Board in its discretion whose decision shall be binding on the concerned member/director.</p> <p>In case, where the shareholding of any Shareholder falls below 10% (Ten per cent), then such Shareholder shall immediately offer to the Board to withdraw the nomination of its director, whose decision shall be binding on the concerned director.</p>	<p>(iii) (A) a Shareholder whose shareholding in the Company (on his/its own, without any aggregation with Affiliates or any other Person) is less than 10% (Ten per cent); and/or</p> <p>(B) a Shareholder whose shareholding in the Company (along with the shareholding of his/its Affiliates) is less than 15% (Fifteen per cent);</p> <p>shall neither have any right to nominate any Director on the Board nor any member on any committee of the Board.</p> <p>Provided where a Shareholder whose shareholding in the Company (along with the shareholding of his/its Affiliates) reduces upto 12.5% (Twelve and half per cent) from 15% (Fifteen per cent) or more through natural dilution as a result of increase in Company's paid up share capital shall continue to have the right to nominate one Director on the Board and shall have no right of nomination of any member on any committee of the Board;</p> <p>Where the shareholding of a Shareholder (whether on his/its own, without any aggregation with Affiliates or any other Person; or along with Affiliates where permitted) falls below the thresholds prescribed herein, then such Shareholder shall immediately offer to the Board the resignation of one/ both Director(s) and/or member on the committees of the Board (each as applicable) and the decision of the Board shall be binding on the concerned Director / member.</p> <p>"Affiliate" of any Person ("Specific Person") means any other Person that is, directly or indirectly, "controlling", "controlled" by, or under "common control" with such Specific Person and in case of a Specific Person who is a natural person, any Immediate Relative of such Specific Person and any Person that directly or indirectly, through one or more intermediate Persons, is Controlled by such natural Specific Person either directly or together with his/her Immediate Relatives.</p> <p>"Immediate Relative" with respect to a Person means the father, mother, spouse and children of such Person who are dependent on such Person.</p> <p>A Person shall be deemed to be "controlling" or in "control" of another Person if such first referred Person directly or indirectly through one or more of its Affiliates:</p> <p>(a) owns, more than 50% (fifty percent) of the aggregate voting securities of such other Person on a fully diluted basis; or</p> <p>(b) has the right to appoint or remove a majority of the directors or other management body of such other Person;</p> <p>and the term "common control" shall be construed accordingly.</p>

None of the other Directors, Key Managerial Personnel of the Company / their relatives is, in any way, are concerned or interested, financially or otherwise, in the proposed resolution.

The Board of Directors recommends the resolution at item No. 1 of this Notice for approval by the shareholders by way of a Special Resolution.

Regd. Office:
9th Floor,
Antriksh Bhawan, 22,
Kasturba Gandhi Marg,
New Delhi – 110 001

Date: April 24, 2019
Place: New Delhi

By order of the Board
For **PNB HOUSING FINANCE LIMITED**
Sanjay Jain
Company Secretary and Head Compliance
Membership No F2642