



201, Raheja Point – 1, Nr: SVC Bank, Nehru Road,  
Vakola, Santacruz (E), Mumbai – 400 055.  
Tel: 022 3950 9900 / 6121 3400 Fax: 022 3950 9934

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**Notice of Extra Ordinary General Meeting of Shareholders**

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**Aadhar Housing Finance Ltd.**

CIN: U66010KA1990PLC011409

**Regd. Office:** 2nd Floor, No. 3, JVT Towers, 8th 'A' Main Road,  
S.R Nagar, Bengaluru – 560 027, Karnataka.

Toll Free No: 1800 3004 2020 [www.aadharhousing.com](http://www.aadharhousing.com)



201, Raheja Point – 1, Nr. SVC Bank, Nehru Road,  
Vakola, Santacruz (E), Mumbai – 400 055.  
Tel: 022 3950 9900 / 6121 3400 Fax: 022 3950 9934

**NOTICE IS HEREBY GIVEN THAT AN EXTRA-ORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF AADHAR HOUSING FINANCE LIMITED (“COMPANY”) WILL BE HELD ON SATURDAY, 16<sup>th</sup> JANUARY, 2021 AT THE CORPORATE OFFICE AT 201, RAHEJA POINT-1, NEAR SVC BANK, VAKOLA SATORUZ (E ), MUMBAI-400055 OR THROUGH VIDEO CONFERENCE AT 11.00 A.M. TO TRANSACT THE FOLLOWING BUSINESS**

This notice of meeting is given pursuant to Section 101 of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) in accordance with the articles of association of the Company.

**SPECIAL BUSINESS:**

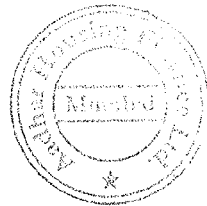
**ITEM NO. I: RE-CONSTITUTION OF THE BOARD OF DIRECTORS OF THE COMPANY BY APPOINTING INDEPENDENT DIRECTOR**

To consider, and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV, Section 161 and and other applicable provisions, if any, of the Companies Act, 2013, as amended, and the rules and regulations made thereunder (collectively referred to as the “Companies Act”) and other applicable law and pursuant to the provisions of the articles of association of the Company, Ms. Sharmila Karve, (DIN: 05018751), who has provided her consent to act as an independent director of the Company, if appointed and submitted a declaration that she meets the criteria for appointment as an independent director under the Companies Act and who is eligible for appointment, be and is hereby appointed as an independent director of the Company for a period of 03 [three] consecutive years, with effect from 15<sup>th</sup> December, 2020 and shall be paid a sitting fees in terms of the appointment letter issued by the Management.”

“**RESOLVED FURTHER THAT** the Company takes note of the consent letter received from Ms. Karve providing her consent to act as an independent director of the Company.”

“**RESOLVED FURTHER THAT** the Board and such other officials as may be authorised by the Board be and are hereby severally authorised to file necessary forms with the Registrar of Companies, Bengaluru, located at Bengaluru, Karnataka. and do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution and the same may also be forwarded to any concerned authorities for necessary action.”



Aadhar Housing Finance Ltd.

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Toll Free No: 1800 3004 2020 www.aadharhousing.com

**ITEM NO. II: INCREASE IN THE AUTHORISED SHARE CAPITAL**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 61, 64 and other applicable provisions, if any, of the Companies Act, 2013, as amended, and the rules and regulations made thereunder (collectively referred to as the **“Companies Act”**), the consent and approval of the shareholders of the Company be and is hereby accorded to increase the authorised share capital of the Company from the existing Equity Share capital of ₹ 220 Crores (Rupees Two Hundred and twenty Crores only) divided into 22,00,00,000 Equity Shares (Twenty two Crores only) of face value of ₹ 10/- (Rupees Ten only) each to be increased to ₹ 500 Crores (Rupees Five Hundred Crores only) divided into 50,00,00,000 (Fifty Crores only) Equity Shares of face value of ₹ 10/- (Rupees Ten only) each.”

**“RESOLVED FURTHER THAT** the board of directors/Committee of the Company (**“Board”**) and such other officials as may be authorised by the Board, be and are hereby severally authorised to make application, file forms, etc. and to do all such acts, deeds and things as may be required or deemed expedient to implement this resolution.”

**“RESOLVED FURTHER THAT** any of the Directors, MD & CEO, CFO and/or the Company Secretary is authorised to certify the true copy of the aforesaid resolutions and the same may be forwarded to any concerned authorities for necessary action.”

**ITEM NO. III: APPROVAL FOR ISSUE OF BONUS SHARES TO THE EXISTING SHAREHOLDERS**

To consider, and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

**“RESOLVED THAT**, pursuant to Section 63 and all other applicable provisions of the Companies Act, 2013, and the rules and regulations made thereunder, each as amended, and the Articles of Association of the Company, as amended and subject to Applicable Law and subject to such consents and approvals as may be required from the lenders of the Company and other appropriate authorities and subject to such terms and modifications as may be specified while according such approvals, the consent and approval of the shareholders of the Company be and is hereby accorded for a sum of ₹ 355.28 Crores (Rupees Three Hundred and Fifty Five Crores Twenty Eight Lakhs only) be capitalized out of the Company's Securities Premium Account or such other accounts as are permissible to be utilized for the purpose, as per the audited accounts of the Company for the financial year ended March 31, 2020 and that such amounts be transferred to the Share Capital Account and be applied for issue and allotment of fully paid **35,52,79,473** [ *Thirty Five Crores Fifty Two Lakhs Seventy Nine thousand Four hundred and Seventy three only – fractions rounded off* ] equity shares of the Company of ₹ 10/- each (Rupees Ten Only) (**“Equity Shares”**) to be issued as bonus shares (the **“Bonus Equity Shares”**) credited as fully paid-up, to the eligible shareholders of the Company holding Equity Shares of ₹ 10/- each (Rupees Ten Only) whose names appear in the Register of Members / Beneficial Owners' position of the Company on the date of Extra-Ordinary General Meeting of the company (the **“Record Date”**), in the proportion / Ratio of **Nine Bonus Shares for every One Equity Share (Ratio of 9 : 1)** held as on the Record Date and that the new Bonus Equity Shares so issued and allotted shall be treated for all purposes as an increase of the nominal amount of the equity share capital of the Company held by each such members and not as income in lieu of dividend credited.



**“RESOLVED FURTHER THAT**, the above shall be subject to the following terms and conditions:

- 1) The Equity Shares of the Company proposed to be issued and allotted as Bonus Equity Shares shall be subject to the provisions of the memorandum and articles of association of the Company and shall rank *pari passu* in all respects with and carry the same rights as the existing fully paid equity shares of the Company;
- 2) The share certificate(s) for the Bonus Equity Shares shall be issued / dispatched to the shareholders of the Company who hold the existing shares in physical form and the Bonus Equity Shares shall be credited to the respective beneficiary accounts of the shareholders of the Company whose shares are held in dematerialised form; and
- 3) The allotment of the new Bonus Equity Shares to the extent that they relate to non-residents shall be subject to approval of the Reserve Bank of India under the Foreign Exchange Management Act, 1999, as amended.”

**“RESOLVED FURTHER THAT** the board of directors/Committee of the Company (**“Board”**) and such other officials as may be authorised by the Board, be and are hereby severally authorised to make application, file forms, etc. and to do all such acts, deeds and things as may be required or deemed expedient to implement this resolution.”

**“RESOLVED FURTHER THAT** any of the Directors, MD & CEO, CFO and/or the Company Secretary is authorised to certify the true copy of the aforesaid resolutions and the same may be forwarded to any concerned authorities for necessary action.”

#### **ITEM NO. IV: INITIAL PUBLIC OFFER OF EQUITY SHARES**

To consider, and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 23, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended, and the rules and regulations made thereunder including the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the Companies (Share Capital and Debentures) Rules, 2014, as amended, (collectively referred to as the **“Companies Act”**), the Securities Contracts (Regulation) Act, 1956, as amended, and the rules and regulations made thereunder, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**“SEBI ICDR Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Foreign Exchange Management Act, 1999, as amended, and the rules and regulations made thereunder including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Government of India (**“GoI”**), including the Department for Promotion of Industry and Internal Trade (**“DPIIT”**), Securities and Exchange Board of India (**“SEBI”**), National Housing Bank (**“NHB”**) or Reserve Bank of India (**“RBI”**) and any other applicable laws, rules and regulations, in India or outside India (collectively, the **“Applicable Laws”**), and in accordance with the enabling provisions of the memorandum of association and the articles of association of the Company and the uniform listing agreement to be entered into between the Company and the respective recognised stock exchanges of India where the equity shares of face value of ₹ 10/- each of the Company (**“Equity Shares”**) are proposed to be listed (**“Stock Exchanges”**), and subject to any approvals, consents, permissions or sanctions from the GoI, the Registrar of Companies, Bengaluru, located at Bengaluru, Karnataka (**“RoC”**), SEBI, NHB, RBI, Stock Exchanges and any other appropriate governmental, statutory and regulatory authorities of India (**“Regulatory Authorities”**), and any third parties including but not limited to lender(s) of the Company, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions and sanctions, and which may be agreed to by the board of directors of the Company (hereinafter referred to as the **“Board”**), which term shall include a duly authorised committee thereof for the time being exercising the powers conferred by the Board



including the powers conferred by this resolution), the consent and approval of the Shareholders be and is hereby accorded to create, issue, offer and allot and transfer Equity Shares which may include a fresh issue of Equity Shares (the “**Fresh Issue**”) and an offer for sale of Equity Shares (“**Offer for Sale**”) by certain existing shareholders of the Company (the “**Selling Shareholders**”) (the “**Offer for Sale**” and together with the Fresh Issue, the “**Offer**”) in the Offer, for cash either at par or premium such that the amount being raised pursuant to the Fresh Issue aggregates up to ₹ **15,000 million** (with an option to the Company to retain an over-subscription to the extent of 1% of the net Offer size, or such other extent as may be permitted under the Applicable Laws, for the purpose of rounding off to the nearest integer while finalising the basis of allotment in consultation with the designated stock exchange) including the issue and allotment/transfer of Equity Shares to the stabilising agent pursuant to a green shoe option, if any, in terms of the SEBI ICDR Regulations at a price to be determined by the book building process in terms of the SEBI ICDR Regulations or otherwise in accordance with Applicable Laws, at such premium or discount per Equity Share as allowed under Applicable Laws and as may be fixed and determined in accordance with the SEBI ICDR Regulations, out of the authorised capital of the Company to any category of person or persons as permitted under Applicable Laws, who may or may not be the shareholder(s) of the Company as the Board may, in consultation with the Selling Shareholders decide, including anchor investors, employees (through a reservation or otherwise), Hindu undivided families, foreign portfolio investors other than individuals, corporate bodies and family offices, alternative investment funds, foreign venture capital investors registered with SEBI, multilateral and bilateral development financial institutions,, insurance companies registered with the Insurance Regulatory and Development Authority of India, provident funds, pension funds, insurance funds set up by army, navy, or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India, Indian mutual funds, systemically important non-banking finance companies, members of group companies, Indian public, bodies corporate, companies (private or public) or other entities, authorities, and to such other persons, including retail individual bidders, in one or more combinations thereof, whether through the Offer (as defined herein below) or otherwise in one or more modes or combinations thereof and/or any other category of investors as may be permitted to invest under Applicable Laws and in one or more tranches and on such terms and conditions as may be finalised by the Board in consultation with the BRLMs and that the Board in consultation with the BRLMs may finalise all matters incidental thereto as it may in its absolute discretion thinks fit.”

“**RESOLVED FURTHER THAT** the Board and such other persons as may be authorised by the Board be and is hereby authorised on behalf of the Company to make available for allocation a portion of the Offer to any category(ies) of persons permitted under Applicable Law, including without limitation, eligible employees (“**Reservation**”) or to provide a discount to the offer price to retail individual bidders or eligible employees of the Company (“**Discount**”); and to take any and all actions in connection with any Reservation or Discount as the Board may think fit or proper in its absolute discretion, including, without limitation, to negotiate, finalise and execute any document or agreement, and any amendments, supplements, notices or corrigenda thereto; seek any consent or approval required or necessary; give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, think necessary, appropriate, or desirable; and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing.”

“**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 62(1)(c), 42 and any other applicable provisions, if any, of the Companies Act and other Applicable Laws, the consent and approval of the shareholders be and is hereby accorded to consider a private placement at the discretion of the Board or Committee, such number of Equity Shares aggregating up to such number of Equity Shares as decided by the Board/Committee, to certain investors as permitted under Applicable Laws on or prior to the date of the red herring prospectus (“**Pre-IPO Placement**”), at such other price as decided by the Board/, in consultation with the BRLMs and/or other advisors, determine in light of the then prevailing market conditions in accordance with Applicable Laws and do all such other acts, deeds, matters and things as the Board may from time to time, in their absolute discretion deem fit and including without limitation, negotiate, finalise and execute any document or agreement, including without limitation any private



placement offer letters, placement agreement, escrow agreement, term sheet and such other documents or any amendments or supplements thereto and to open any bank account for the purpose if required, and to open any shares or securities account or escrow or custodian accounts as may be required in connection therewith and generally to do all such acts, deeds, matters and things in relation to all matters incidental to the Pre-IPO Placement or in relation to the foregoing and to settle any question, difficulty, or doubt that may arise with regard thereto or in relation to the foregoing. In the event of a Pre-IPO Placement, the size of the Offer would be reduced to the extent of Equity Shares issued under the Pre-IPO Placement.

**“RESOLVED FURTHER THAT** the Equity Shares so allotted and/or transferred under the Offer (including to any Reservation or green shoe option) shall be subject to the memorandum of association and the articles of association of the Company and shall rank *pari passu* in all respects with the existing Equity Shares of the Company including rights in respect of dividend.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions and any issue, transfer and allotment of Equity Shares pursuant to the Offer, the Board and such other persons as may be authorised by the Board in consultation with the BRLMs, be and is hereby authorised to determine the terms of the Offer including the class of investors to whom the Equity Shares are to be allotted or transferred, the number of Equity Shares to be allotted or transferred in each tranche, Offer price, premium amount, discount (as allowed under Applicable Laws), listing on one or more Stock Exchanges in India as the Board in its absolute discretion deems fit and do all such acts, deeds, matters and things and to negotiate, finalize and execute such deeds, documents agreements and any amendment thereto, as it may, in its absolute discretion, deem necessary, proper or desirable including arrangements with BRLMs, underwriters, escrow agents, legal advisors, etc., to approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise, in regard to the offering, Offer, transfer and allotment of the Equity Shares, and utilization of the Fresh Issue proceeds, if applicable and such other activities as may be necessary in relation to the Offer and to accept and to give effect to such modifications, changes, variations, alterations, deletions and/or additions as regards the terms and conditions as it may, in its absolute discretion, deem fit and proper in the best interest of the Company and the Offer, without requiring any further approval of the shareholders, except as required under law and that all or any of the powers conferred on the Company and the Board pursuant to these resolutions may be exercised by the Board or such committee thereof as the Board may constitute in its behalf.”

**“RESOLVED FURTHER THAT** in connection with any of the foregoing resolutions, the Board and such other officials as may be authorised by the Board, on behalf of the Company, be and are hereby severally authorised to execute and deliver any and all other documents, papers or instruments, issue and provide certificates and to do or cause to be done any and all acts or things as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions for the Offer; and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be.”

**“RESOLVED FURTHER THAT** any of the Directors, MD & CEO, CFO and/or the Company Secretary is authorised to certify the true copy of the aforesaid resolutions and the same may be forwarded to any concerned authorities for necessary action.”



**ITEM NO. V: ALTERATION OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to Sections 13 and 61 and other applicable provisions, if any, of the Companies Act, 2013, and the rules and regulations made thereunder including the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) (collectively referred to as the **“Companies Act”**), the consent and approval of the shareholders of the Company be and is hereby accorded for substituting the existing Clause V of the memorandum of association of the Company (**“Memorandum of Association”**) with the following clause:

*“V. The Authorised Share Capital of the Company is INR 500,00,00,000 (Indian Rupees Five Hundred Crores only) consisting of 50,00,00,000 (Fifty Crores only) Equity shares of Rs. 10/- (Rupees Ten only) each.”*

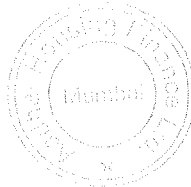
**“RESOLVED FURTHER THAT** the board of directors of the Company (**“Board”**) and such other persons as may be authorised by the Board, be and are hereby severally authorised to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to give effect to the above resolution, including but not limited to, file the necessary application with the regulatory authorities, to settle all questions, difficulties or doubts that may arise, submit such other documents and information as may be required by any regulatory authority, accept on behalf of the Company such conditions and modifications as may be prescribed or imposed by any regulatory authority and engage in any other communication with any regulatory authority and publish necessary gazette notifications, if required, for and in connection with the proposed amendment to Clause V of the Memorandum of Association of the Company, as may be required under the applicable laws, and filing of necessary forms with the Registrar of Companies, Bengaluru, located at Bengaluru, Karnataka and to comply with all other requirements in this regard.”

**“RESOLVED FURTHER THAT** any of the Directors, MD & CEO, CFO and/or the Company Secretary is authorised to certify the true copy of the aforesaid resolutions and the same may be forwarded to any concerned authorities for necessary action.”

**ITEM NO. VI: ADOPTION OF NEW ARTICLES OF ASSOCIATION**

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

**“RESOLVED** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, and the rules and regulations made thereunder, each as amended (collectively referred to as the **“Companies Act”**), the applicable provisions of the Securities Contracts (Regulation) Act, 1956, as amended, the Securities Contracts (Regulation) Rules, 1957, as amended, and the listing requirements of the stock exchange(s) where the securities of the Company are proposed to be listed and in accordance with the enabling provisions of the memorandum of association and articles of association and subject to the applicable provisions of any other applicable law, the consent and approval of the shareholders of the Company be and is hereby accorded for substitution of the existing set of articles of association of the Company with the new set of articles of association of the Company, as placed before the board of directors of the Company, and the same be adopted as new articles of association of the Company.”

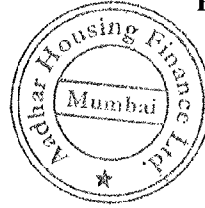


**“RESOLVED FURTHER THAT** the board of directors of the Company (“**Board**”) and such other officials as may be authorised by the Board be and are hereby severally authorised to do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution including filing of necessary forms with the Registrar of Companies, Bengaluru, located at Bengaluru, Karnataka.

**“RESOLVED FURTHER THAT** any of the Directors, MD & CEO, CFO and/or the Company Secretary is authorised to certify the true copy of the aforesaid resolutions and the same may be forwarded to any concerned authorities for necessary action.”

**Place: Mumbai**

**Date: 22<sup>nd</sup> December, 2020**



**By Order of the Board of Directors  
For Aadhar Housing Finance Limited**

A handwritten signature in black ink, appearing to read "Sreekanth V N".

**Sreekanth V N  
Company Secretary**



**NOTE:**

1. The Explanatory Statement under Section 102 of the Companies Act, 2013, as amended, in respect of the special business is annexed herewith and forms part of the notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE DATE OF THE EXTRAORDINARY GENERAL MEETING.**
3. The documents referred to in the Resolutions can be inspected at the Registered Office of the Company in Bengaluru during 11 am to 5 pm on all working days of the Company.
4. Pursuant to Section 20(2) of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014, as amended, companies are permitted to send official documents to their shareholders electronically.
5. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its Circular No 33/2020 dated September 28, 2020 read with Circular No 22/2020 dated June 15, 2020, Circular No 14/2020 dated April 8, 2020 and Circular No 17/2020 dated April 13, 2020 respectively, if permitted the holding of the EGM without the physical presence of the members at a common venue and the time limit is further extended by MCA (collectively referred to as “MCA Circulars”) otherwise the physical meeting will be held at the Corporate Office, Mumbai, as per the address given above, in compliance with the provisions of the Companies Act, 2013 (“Companies Act”). Hence, members must attend and participate in the ensuing EGM through VC or physically present at the venue of Meeting, as the case may be as above.
6. The members can join the EGM through VC mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice.
7. The attendance of the members attending the EGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act.
8. Pursuant to the provisions of the Companies Act, a Member entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. If this EGM is being held pursuant to the MCA Circulars through VC, if permitted by MCA, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the EGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
9. In compliance with the aforesaid MCA Circulars, Notice of the EGM as well as the weblink for joining the meeting is being sent only through electronic mode to those members whose email addresses are registered with the Company, if the meeting is held through video conference.
10. Those shareholders whose email IDs are not registered, are requested to register their email ID with the Company, by providing their Name, Address, email ID, PAN, DP ID/Client ID or Folio Number and Number of shares held by them by sending an email to [complianceofficer@aadharhousing.com](mailto:complianceofficer@aadharhousing.com)



11. All documents referred to in the Notice will be open for inspection through electronic mode during the EGM.
12. In case the EGM is held at the Corporate Office, the Route Map is not annexed in this Notice. The scheduled venue of the meeting as set forth in the notice convening the meeting, shall be deemed to be the place of the said meeting and all recordings of the proceedings at the meeting shall be deemed to be made at such place.
13. The Members will be allowed to pose questions during the course of the Meeting. The queries can also be given in advance at [complianceofficer@aadharhousing.com](mailto:complianceofficer@aadharhousing.com).

**Instructions for Members for attending the EGM if held through VC are as under:**

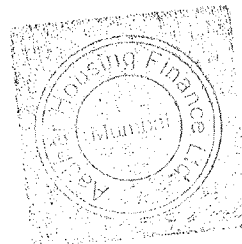
- a) An invitation to join the EGM will be sent to the members on their latest registered email IDs before 7 days of the General meeting.
- b) Members may attend the EGM, by following the invitation link sent to their registered email ID. Members will be able to locate Meeting ID/ Password/ and *Join Meeting* tab. By clicking on *Join Meeting* they will be redirected to Meeting Room via browser or by running Temporary Application. To join the Meeting, follow the step and provide the required details (mentioned above – Meeting ID/Password/Email Address) and Join the Meeting. Members are encouraged to join the Meeting through laptops for better experience.
- c) In case of Android / iPhone connection, Participants will be required to download and install the appropriate application as given in the mail to them. Application may be downloaded from Google Play Store / App Store.
- d) Further, members will be required to allow camera and use Internet audio settings as and when asked while setting up the meeting on mobile application.
- e) Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- f) The helpline number for joining the meeting through electronic mode will be provided in the meeting invitation which will be sent to the eligible applicants.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, ANNEXURE TO AND FORMING PART OF THE NOTICE DATED 22<sup>ND</sup> DECEMBER, 2020.**

The following Explanatory Statement relating to the accompanying Notice sets out the material facts:

**ITEM NO. I: RE-CONSTITUTION OF THE BOARD OF DIRECTORS OF THE COMPANY – APPOINTMENT OF INDEPENDENT DIRECTOR**

The Company needs to re-constitute its board of director to ensure compliance with the Companies Act, 2013, as amended and the corporate governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and other applicable law prior to filing of the draft red herring prospectus with the Securities and Exchange Board of India.



The Profile of the new Independent Director with experience are enclosed as annexure to this notice

None of the directors, key managerial personnel of the Company, or the relatives of the aforementioned persons are interested in the said resolution.

The board of directors of the Company recommends the resolutions set out at Item No. I of the accompanying Notice for your approval as special resolutions.

#### **ITEM NO. II: INCREASE IN THE AUTHORISED SHARE CAPITAL**

The Company is proposing to undertake an initial public offer of the equity shares of face value of ₹ 10/- each ("Equity Shares") of the Company comprising a fresh issuance of Equity Shares by the Company ("Fresh Issue") and an offer for sale of Equity Shares by certain existing shareholders of the Company ("Selling Shareholders") ("Offer for Sale" and together with the Fresh Issue, the "Offer"), and list the Equity Shares on one or more of the stock exchanges. It is now proposed to increase the Authorised/Nominal Share Capital from the present limit of Rs.220 Crores upto Rs.500 Crores, divided into 50,00,00,000 numbers of equity shares of face value of Rs.10/- each as per this resolution.

None of the directors, key managerial personnel, of the Company or the relatives of the aforementioned persons are interested in the said resolution.

The board of directors of the Company recommends the resolutions set out at Item No. II of the accompanying Notice for your approval as special resolutions.

#### **ITEM NO. III: APPROVAL FOR ISSUE OF BONUS SHARES TO THE EXISTING SHAREHOLDERS**

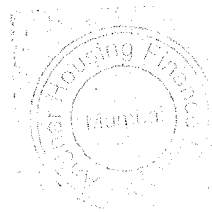
Since the Company is undertaking an initial public offering of its equity shares (the "Offer"), the Company intends to issue of bonus shares to the existing shareholders in the ratio of Nine Bonus equity shares of ₹ 10/- each for every One equity share of ₹ 10/- each held by the shareholders of the Company, as on the Record Date as advised by the Company's book running lead managers appointed in respect of the Offer.

The Board of Directors of the Company have recommended that the Company should capitalise the Capital Redemption Reserve Account and Share Premium Account or other Reserves to the extent of ₹ 355.28 Crores (Rupees Three Hundred and Fifty Five Crores only) for issuing fully paid 35,52,79,473 [ *Thirty Five Crores Fifty Two Lakhs Seventy Nine thousand Four hundred and Seventy three only – fractions rounded off* ] equity shares of the Company of ₹ 10 /- each (Rupees Ten Only) ("Equity Shares") to be issued as bonus shares (the "Bonus Equity Shares") credited as fully paid-up, to the eligible shareholders of the Company holding Equity Shares of ₹ 10 /- each (Rupees Ten Only) whose names appear in the Register of Members / Beneficial Owners' position of the Company as on the date of Extra-Ordinary General Meeting of the company –

on **16<sup>th</sup> January, 2021** (the "Record Date"), in the proportion / Ratio of Nine Bonus Shares for every One Equity Share (Ratio of **9 : 1**) held by the shareholders of the Company.

Further, the Board/ Share Allotment/IPO Committee are authorised to allot the Bonus Shares and to decide the Record Date to determine the shareholders who will be eligible to receive the bonus shares, subject to necessary approvals/permissions including RBI as per FEMA Regulations.

Pursuant to the provisions of Sections 63(2) of the Companies Act, 2013, any issue of bonus shares out of the Share Premium, General Reserve or capital redemption reserve account requires approval of the shareholders of the Company in a general meeting.



None of the directors, key managerial personnel, of the Company or the relatives of the aforementioned persons are interested in the said resolution, except for the equity shares held by them.

The board of directors of the Company recommends the resolutions set out at Item Nos. III of the accompanying Notice for your approval as special resolutions.

#### **ITEM NO. IV: INITIAL PUBLIC OFFER OF EQUITY SHARES**

The Company proposes to undertake an initial public offering of equity shares of face value of ₹ 10/- each of the Company (“**Equity Shares**”) which may consist of a fresh issue of Equity Shares (“**Fresh Issue**”) and an offer for sale by certain, existing shareholders of the Company (“**Selling Shareholders**”) (“**Offer for Sale**” and together with Fresh Issue, the “**Offer**”). The Company intends to at the discretion of the board of directors of the Company (“**Board**”), undertake the Offer and list its Equity Shares at an opportune time in consultation with the book running lead managers (“**BRLMs**”) and other advisors and subject to applicable regulatory approvals and other approvals, to the extent necessary.

With respect to the Offer, the Company will be required to file a draft red herring prospectus (the “**DRHP**”) with the Securities and Exchange Board of India (the “**SEBI**”) and the Stock Exchanges, and subsequently file a red herring prospectus (the “**RHP**”) with the Registrar of Companies, Bengaluru, Karnataka (“**RoC**”) and thereafter with SEBI, and the Stock Exchanges and file a prospectus with the RoC and thereafter with SEBI and the Stock Exchanges in respect of the Offer (the “**Prospectus**”, and together with the DRHP and the RHP, the “**Offer Documents**”), in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”), the Companies Act, 2013, and the rules notified thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) (collectively referred to as the “**Companies Act**”) and other applicable laws.

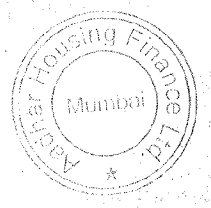
Each shareholder may, in its sole discretion, participate in the Offer for Sale by offering to sell either all or a part of the Equity Shares held by it at a price to be determined through the book building process in accordance with the SEBI ICDR Regulations and the Offer Documents. In terms of Regulation 8 of the SEBI ICDR Regulations, the Equity Shares offered in the Issue (“**Offered Shares**”) are required to be fully paid-up and are required to have been held by the concerned shareholder for a period of at least one year prior to filing of the DRHP with SEBI.

Please note that in terms of the SEBI ICDR Regulations, the entire pre-Offer equity share capital of the Company (other than the Equity Shares offered under the Offer), shall be locked-in for a period of one year from the date of allotment pursuant to the Offer, subject to exceptions under the SEBI ICDR Regulations.

Further, in terms of the SEBI ICDR Regulations, Equity Shares held by the shareholders prior to the Offer and locked-in for a period of one year may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the applicable lock-in and the transferee being ineligible to transfer such Equity Shares until expiry of the lock-in period, and compliance with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

In the event a shareholder chooses to participate in the Offer (“**Selling Shareholders**”), they will be required to comply with certain terms and requirements and undertake certain activities in line with the SEBI ICDR Regulations and the Companies Act, an indicative list of which is set out below:

1. **Offer Expenses:** The Selling Shareholders and the Company shall share certain costs and expenses pertaining to the Offer (collectively, the “**Offer Expenses**”). The Offer



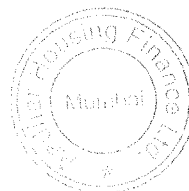
Expenses shall be shared by the Selling Shareholders and the Company based on the proportion of Equity Shares included in the Offer for Sale, among the Selling Shareholders, and the Equity Shares allotted by the Company in the Fresh Issue, respectively, as a percentage of the total Equity Shares transferred or allotted pursuant to the Offer, and in accordance with applicable laws.

2. **Offer related agreements:** At different stages of the Offer process, the Company and the Selling Shareholders will need to enter into various agreements, including the offer agreement, registrar agreement, syndicate agreement, share escrow agreement, escrow and sponsor bank agreement and underwriting agreement. The drafts of these agreements will be shared with the Selling Shareholders at the appropriate stages. These agreements will, *inter alia*, require the Selling Shareholders to provide certain representation and warranties to the stakeholders such as:
  - a. due incorporation, registration and valid existence;
  - b. power and authority to conduct its business;
  - c. power and authority to offer and transfer the Offered Shares pursuant to the Offer;
  - d. approval or consent from governmental or regulatory authority, if any;
  - e. good and valid title to the Offered Shares and free from encumbrances; and
  - f. accuracy of the statements relating to the Selling Shareholder and the Offered Shares in the Offer Documents.
3. **Liability of Selling Shareholders:** The Companies Act imposes both criminal and civil liability on the Selling Shareholders for mis-statements in the Offer Documents. In addition, a Selling Shareholder may be liable for punishment for fraudulently inducing persons to invest money in the Company, or actions by persons, or group of persons or association of persons affected by any misleading statements or inclusion or omission in any matter in relation to the Selling Shareholder and the portion of the Offered Shares in the Offer Documents. The Company, the BRLMs, and their respective legal counsels and other professional advisers appointed in relation to the Offer shall not be responsible or liable to the Selling Shareholders, or any other person in relation to the Offer, including for any default, negligence or misconduct by the Selling Shareholders. In addition, in the agreements set out above, the Selling Shareholders shall be required to provide an indemnity to the BRLMs and/or the underwriters, as applicable, with respect to the information about themselves, their respective portions of the Offered Shares and their representations and warranties.

Further, the Company shall be entitled to take all decisions in relation to the Offer in accordance with applicable laws. The Company reserves the right, at its sole discretion, to modify or vary the terms and conditions of the participation of such shareholder(s) in the Offer for Sale, including where any relevant approvals are not obtained in a timely manner or at all.

In the event a shareholder is interested in participating in the Offer for Sale, please provide an in-principle confirmation, indicating the number of Equity Shares proposed to be offered in the Offer for Sale (“**In-principle Confirmation**”) through an e-mail or other communication channels to the Company Secretary at – [complianceofficer@aadharhousing.com](mailto:complianceofficer@aadharhousing.com) on or before 6.00 P.M. on **January 1, 2021**. The Company reserves the right, at its sole discretion, to extend such period as may be required. In the event the Company does not receive the In-principle Confirmation from interested shareholders within this timeline, it shall be presumed that such shareholders are not interested in participating in the Offer for Sale.

Upon receipt of the In-principle Confirmation, the Company will send a detailed set of instructions and documents that a Selling Shareholder needs to execute to participate in the Offer for Sale.



The Equity Shares are proposed to be listed on the BSE Limited, the National Stock Exchange of India Limited and any other stock exchange as determined by the Board at its absolute discretion and the Company will be required to enter into listing agreements with each of the Stock Exchanges.

In view of the above and in terms of Section 62(1)(c), and other applicable provisions of the Companies Act, 2013 (“Companies Act”), the approval of the shareholders of the Company is required through a special resolution.

The Company proposes to allot such number of Equity Shares in the Fresh Issue aggregating up to ₹ 15,000 million on such terms and at such price or prices and at such time as may be considered appropriate by the Company in consultation with the Selling Shareholders and BRLMs, to the various categories of permitted investors who may or may not be the shareholder(s) of the Company in the initial public offer by way of book building method under the SEBI ICDR Regulations. The Equity Shares, if any, allotted vide the Offer shall rank in all respects *pari passu* with the existing Equity Shares of the Company. The proceeds of the Fresh Issue will be utilised for the purposes that shall be disclosed in the DRHP, RHP, and the Prospectus. The Board has the authority to modify the above objects on the basis of the requirements of the Company, in accordance with applicable laws.

The Company will not make an offer of Equity Shares to the promoters in the Offer. However, the directors (except independent directors) or the key managerial personnel of the Company may apply for the Equity Shares in the various categories under the Offer in accordance with the SEBI ICDR Regulations.

Except as and to the extent of the participation by directors or key managerial personnel in the Offer as mentioned above, none of the directors or managers or key managerial personnel of the Company or the relatives of the said persons are interested in the said resolution.

Furthermore, in the event that Equity Shares are allotted to investors pursuant to pre-IPO placement of Equity Shares prior to registering of the red herring prospectus relating to the Issue with the Registrar of Companies, Karnataka at Bengaluru, price at which such pre-IPO placement shall be made shall be subject to prevailing market conditions, and shall be decided by the Company in consultation with the book running lead managers to the Offer.

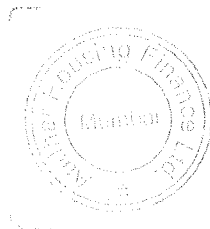
No change in control of the Company or its management of its business is intended or expected pursuant to the Offer.

The Board recommends the resolutions in Item No. IV of the accompanying Notice for your approval as special resolutions. Accordingly, approval of the shareholders of the Company is sought to issue Equity Shares under Section 62(1)(c) and other applicable provisions of the Companies Act and the rules and regulations made thereunder, each, as amended.

**ITEM NO. V & VI: ALTERATION OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND ADOPTION OF NEW ARTICLES OF ASSOCIATION**

In view of increase in the authorised share capital of the Company and sub-division of the share capital of the Company, the existing Clause V of the memorandum of association of the Company (“Memorandum of Association”), is proposed to be substituted with the following:

***“V. The Authorised Share Capital of the Company is INR 500,00,00,000 (Indian Rupees Five Hundred Crores only) consisting of 50,00,00,000 (Fifty Crores only) Equity shares of Rs. 10/- (Rupees Ten only) each.”***



The articles of association of the Company (“**Articles of Association**”) shall be amended as follows and a new set of articles are required to be adopted.

The Articles of Association are required to be amended in view of the proposal of the Company to undertake an initial public offer of the equity shares of face value of ₹ 10/- each of the Company (“**Equity Shares**”) comprising a fresh issuance of Equity Shares by the Company (“**Fresh Issue**”) and an offer for sale by certain existing shareholders of the Company (“**Offer for Sale**” and together with the Fresh Issue, the “**Offer**”), and list the Equity Shares on one or more of the recognised stock exchanges in India. The Company therefore proposes to adopt a new set of Articles of Association that shall conform to the requirements and directions provided by the stock exchanges prior to filing of the draft red herring prospectus with the Securities and Exchange Board of India (“**SEBI**”) and the relevant stock exchanges and contain such other articles as required by a public limited company under applicable laws (including the Companies Act, 2013).

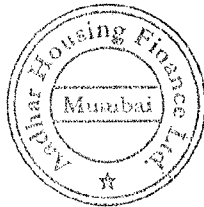
Copy of existing Memorandum of Association and the Articles of Association and the revised Memorandum of Association and Articles of Association will be made available for inspection at the Registered office/Corporate office of the Company during the working hours of the Company on any working day up to the date of the Extra-Ordinary General Meeting.

Pursuant to the provisions of Sections 13 and 14 of the Companies Act, 2013 as applicable, any amendment in memorandum of association and the Articles of Association requires approval of the shareholders of the Company.

None of the directors, key managerial personnel, of the Company or the relatives of the aforementioned persons are interested in the said resolution.

The board of directors of the Company recommends the resolutions set out at Item Nos. V and VI of the accompanying Notice for your approval as special resolutions.

Place: Mumbai  
Date: 22<sup>nd</sup> December, 2020



By Order of the Board of Directors  
For Aadhar Housing Finance Limited

  
Sreekanth V N  
Company Secretary