

GRUH FINANCE LIMITED

Regd. Office: "GRUH", Netaji Marg, Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad 380 006 • Phone 079 26421671-74
E-mail:investorcare@gruh.com
www.gruh.com • CIN : L65923GJ1986PLC008809



NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY-NINTH ANNUAL GENERAL MEETING OF THE MEMBERS OF GRUH FINANCE LIMITED WILL BE HELD AT 10.30 A.M., ON FRIDAY, THE 26TH DAY OF JUNE, 2015 AT H.T. PAREKH CONVENTION CENTRE, AHMEDABAD MANAGEMENT ASSOCIATION (AMA), ATIRA CAMPUS, DR. VIKRAM SARABHAI MARG, AHMEDABAD 380 015 TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statement of the Company for the year ended March 31, 2015 and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. K. G. Krishnamurthy, (holding DIN No. 00012579), liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.
4. To ratify the appointment of Auditors and to fix their remuneration and in this regards pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, the appointment of M/s. Sorab S. Engineer & Co., (Firm Registration No 110417W), Chartered Accountants, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 30TH Annual General Meeting be and is hereby ratified and their appointment be at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and re-imburement of travelling and out of pocket expenses incurred by them for the purpose of audit."

SPECIAL BUSINESS

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

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Biswamohan Mahapatra (holding DIN 06990345), who was appointed as additional director with effect from March 19, 2015 and holds office upto the ensuing Annual General Meeting and who qualifies for appointment as independent director and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years for a term up to March 18, 2018."

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, approval of the members of the Company

be and is hereby accorded to the re-appointment of Mr. Kamlesh Shah (holding DIN No. 03092230) as a Whole-time Director, designated as an Executive Director of the Company for the period from April 16, 2015 to March 31, 2017, upon terms and conditions including remuneration as set out in the draft agreement to be entered into by the Company with Mr. Kamlesh Shah and placed before this meeting, duly initialed by the Chairman for the purpose of identification and which draft is hereby specifically approved."

"RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as 'board') be and is hereby authorized to vary and/or modify the terms and conditions of the Agreement that may be entered as set out in the said draft agreement including remuneration payable to Mr. Kamlesh Shah in such manner as may be agreed between the board and Mr. Kamlesh Shah and within the limits as prescribed in Schedule V of the Companies Act, 2013 including any amendment, modification, variation or re-enactment thereof."

"RESOLVED FURTHER THAT in the event of any loss, absence or inadequacy of the profits of the Company in any financial year, during the term of office of Mr. Kamlesh Shah, the remuneration mentioned in the above referred draft agreement shall be paid to Mr. Kamlesh Shah as minimum remuneration and the same shall be subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER THAT any revision in the remuneration payable to Mr. Kamlesh Shah shall be within the overall limits as approved by the members in terms of this resolution and as recommended by the Nomination and Remuneration Committee to the board for its approval, from time to time."

"RESOLVED FURTHER THAT the board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any committee of directors to give effect to the aforesaid resolution."

7. 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 Section 42 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and SEBI (Issue and Listing of Debt Securities) Regulations, 2008, including any amendment, modification, variation or re-enactment thereof, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof), to issue Redeemable Non-Convertible Debentures (NCDs) for cash, upto an amount not exceeding Rs. 2000 Crores (Rupees two thousand crores only) and to issue Unsecured Redeemable Subordinated Debt – Tier II NCD upto an amount of ₹ 115 crores (Rupees one hundred and fifteen crores only), both aggregating to ₹ 2115 crores, under one or more self disclosure document, during the period commencing from the date of this meeting hereof until the conclusion of 30th (thirtieth) Annual General Meeting, on a private placement basis on such terms and conditions as the Board may deem fit and appropriate for each series as the case may be."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion deem necessary in relation thereto."

"RESOLVED FURTHER THAT the board be and is hereby authorized to delegate all or any of the powers herein conferred to any director(s) and/or officer(s) of the Company, to give effect to the resolution."

Notes:

(A) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carry voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

- (B) The relative Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013 in respect of the special business under item No. 5 to 7 are annexed hereto.
- (C) Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Thursday, June 18, 2015 to Friday, June 26, 2015, (both days inclusive) for determining the entitlement of the shareholders to the payment of dividend.
- (D) Subject to the provisions of Section 126 of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be dispatched/remitted commencing on or from June 29, 2015.
- (E) All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the Meeting and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11.00 a.m. and 1.00 p.m. on all days except Saturdays, Sundays and National Holidays, from the date hereof up to the date of the annual general meeting.
- (F) In terms of the provisions of Section 124 of the Companies Act, 2013, the amount of dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund established by the Government. Accordingly, the unclaimed dividend in respect of financial year 2007-08 is due for transfer to the said Fund in August 2015. In terms of provisions of Section 124 of the Companies Act, 2013, no claim shall lie against the Company after the said transfer.

- (G) Members who have either neither received nor encashed their dividend warrant(s) for the financial years 2007-08 upto 2013-14, are requested to write to the Company, mentioning the relevant Folio number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrant(s).
- (H) Members holding shares in physical form are requested to promptly notify in writing any changes in their address/bank account details to the Secretarial Department of the Company at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006. Members holding shares in electronic form are requested to notify the changes in the above particulars, if any, directly to their Depository Participants (DP).
- (I) Equity shares of the Company are under compulsory demat trading by all investors. Considering the advantage of scripless trading, members are encouraged to consider dematerialisation of their shareholding so as to avoid inconvenience in future.
- (J) Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 29TH Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on 23rd June, 2015 (10:00 am) and ends on 25th June, 2015 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th June, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :**
 - (i) Open email and open PDF file viz; "GRUH remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

- (ii) Launch internet browser by typing the following URL:
<https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "GRUH FINANCE LIMITED".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to gruhscrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :**
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the 29th AGM :
- EVEN (Remote e-voting Event Number)
- USER ID PASSWORD/PIN
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 19th June, 2015.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 19th June, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or investorcare@gruh.com.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. M.C.Gupta, of M/s. M. C. Gupta & Co., Company Secretaries, (Membership No. FCS : 2047) (Address : A-201, Fairdeal House, Swastik Char Rasta, Navrangpura, Ahmedabad -380 009) has been appointed for as the Scrutinizer *inter alia* for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.gruh.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Ltd., Mumbai.
- MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

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INFORMATION AS REQUIRED UNDER CLAUSE 49 (VIII) (E) OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS BEING RE-APPOINTED/APPOINTED:

Re-appointment of Mr. K. G. Krishnamurthy (Item No 3)

Mr. K.G. Krishnamurthy is the Managing Director & CEO of HDFC Property Ventures Limited (HPVL). Prior to that he was employed with HDFC as Senior General Manager – Technical Services. He played a major role in HPVL's successful closure of India's first real estate venture fund scheme, HDFC India Real Estate Fund with a corpus of 1.20 billion dollars. He is a graduate from IIT Kharagpur with a management degree from Jamnalal Bajaj Institute of Management, Mumbai. He has vast experience of over two decades in real estate and has been widely consulted by the industry on real estate matters. He has offered his services to the Asian Development Bank - to develop a housing package for Project Affected Persons under Karnataka Urban Infrastructure Project, and to the US AID to build-up a mortgage market in Sri Lanka. Besides his responsibilities within the HDFC group, he is on the board of several companies including HDFC Venture Capital Limited, Vascon Engineers Limited, New Consolidated Construction Co. Ltd., etc. He has been appointed on the board of GRUH since 2004. He is a member of Stakeholders Relationship Committee of GRUH. Mr. K.G. Krishnamurthy holds 3,91,650 shares of the Company.

Appointment of Mr. Biswamohan Mahapatra (Item No 5)

For details of Mr. Biswamohan Mahapatra, please refer to the below Explanatory Statement in respect of special business set out at item No 5 of the Notice of the AGM pursuant to Section 102 of the Companies Act 2013.

Re-appointment of Mr Kamlesh Shah (Item No 6)

Mr. Kamlesh Shah, the Executive Director of GRUH is a Chartered Accountant and a fellow member of the Institute of Chartered Accountants of India. He is working with GRUH since 1990. He has the working experience of handling functional areas of operations, finance, human resources and administration and was elevated to the Board of GRUH in 2010. He does not hold any other board positions in any other company. Mr. Kamlesh Shah holds 3,33,946 shares of the Company.

April 16, 2015 By Order of the Board

Registered Office:

"GRUH", Netaji Marg,

Nr. Mithakhali Six Roads,

Ellisbridge, Ahmedabad 380 006.

Marcus Lobo

CIN : L65923GJ1986PLC008809

Company Secretary

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102(2) of the Companies Act, 2013.

Item No. 5

Mr. Biswamohan Mahapatra is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on March 19, 2015 as an additional Independent director.

Mr. Biswamohan Mahapatra has a career as central banker spanning over 33 years with the Reserve Bank of India (RBI). In the RBI he worked in various capacities and retired as Executive Director in 2014. He spent most of his career in the RBI in the important areas of banking regulation, policy and supervision. Post-retirement, the RBI retained him as an Advisor on full time contract basis for six months on new bank licensing. He holds Master of Science in Management (MSM) degree from Arthur D. Little Management Education Institute, Cambridge, USA; Master of Business Administration (MBA) degree from the University of Delhi, Delhi; and Master of Arts (MA) degree from Jawaharlal Nehru University, New Delhi. He is also a Certified Associate of the Indian Institute of Bankers (CAIIB). He was associated with various working groups and committees of RBI. He is an external Senior Advisor to Ernst & Young LLP. He is a director on the boards of Edelweiss Financial Services Ltd. and Credila Financial Services Pvt. Ltd.

Mr. Biswamohan Mahapatra and his relatives do not hold any share of the Company.

Mr. Biswamohan Mahapatra was appointed as an additional Independent Director w.e.f. March 19, 2015 for a period of three consecutive years i.e. upto 18th March 2018. A notice has been received from a member proposing Mr. Biswamohan Mahapatra as a candidate for the office of Director of the Company as Independent Director.

Mr. Biswamohan Mahapatra fulfils the conditions specified in Section 149(6) read with Schedule IV of the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Biswamohan Mahapatra as an Independent Director setting out the terms and conditions would be available for inspection by a member at the Registered Office of the Company during normal business hours on any working day, excluding Saturdays, Sundays and National Holidays.

The Board considers that his association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Biswamohan Mahapatra as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Biswamohan Mahapatra as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Biswamohan Mahapatra, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 6

The members of the Company at the 24th Annual General Meeting (AGM) of the Company held on June 29, 2010 had appointed Mr. Kamlesh H. Shah as a whole time director designated as an Executive Director of the Company for a period of 5 years with effect from April 16, 2010.

The term of office of Mr. Kamlesh Shah as Executive Director was upto April 15, 2015. The Board of Directors at its meeting held on March 19, 2015 re-appointed Mr. Kamlesh Shah as the Executive Director of the Company for a period from April 16, 2015 to March 31, 2017, subject to the approval of the members in the general meeting. Further, the Board of Directors at its meeting held on April 16, 2015, approved the terms of remuneration of Mr. Kamlesh Shah as Executive Director. The terms of re-appointment have been recommended by the Nomination and Remuneration Committee in its meetings held on March 19, 2015 and April 16, 2015.

The main terms and conditions of re-appointment including remuneration of Mr. Kamlesh Shah as the Executive Director as set out in the draft agreement, subject to the limits prescribed in Part II of Schedule V of the Companies Act, 2013, placed before the Meeting are as follows:

- I. **Salary:** Monthly salary within the range of ₹ 2,50,000/- to ₹ 5,00,000/- as may be decided by the Board of Directors or Nomination and Remuneration Committee from time to time.
- II. **Perquisites:** Perquisites including allowances in such form and to such extent as may be decided by the Board of Directors or the Nomination and Remuneration Committee subject to a ceiling of 60% of the annual salary.
- III. **Ex-Gratia:** As may be decided by the Board of Directors or Nomination and Remuneration Committee subject to the ceiling of twice the annual salary.
- IV. **Other Benefits:** Other benefits to Mr. Kamlesh Shah shall include use of car (with driver) and telephone for the Company's business at residence (the expenses whereof, excepting car for private use and personal long distance calls, would be borne and paid by the Company), contribution to Provident Fund and Superannuation Fund as may be decided by the Board of Directors or Nomination and Remuneration Committee, and all other benefits as are applicable to senior employees of the Company (including but not limited to gratuity, leave entitlement, encashment of leave, entitlement to housing and other loans in accordance with schemes of the Company).
- V. **Minimum Remuneration:** In the event of any loss, absence or inadequacy of profits of the Company in any financial year during the term of office of Mr. Kamlesh Shah, the remuneration as above shall be paid to him as minimum remuneration subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013.
In accordance with the resolution, within the aforesaid limits, the amount of salary, ex-gratia and perquisites payable to Mr. Kamlesh Shah (including the types and amount of each type of perquisite) will be decided by the Board of Directors or Nomination and Remuneration Committee from time to time as it may deem fit in its absolute discretion. Further, Mr. Kamlesh Shah shall be entitled to benefits as provided to senior employees, in accordance with schemes made by the Company from time to time. The valuation of perquisites will be as per the Income – Tax Rules, 1962, in cases where the same is otherwise not possible to be valued.
- VI. **Other Terms:** Apart from the above terms & conditions governing remuneration, the terms of appointment provide for the term of office, the reimbursement of expenses incurred for the business of the Company, provision for earlier determination of the appointment by either party by giving six months' notice in writing etc. The agreement also provides for variation in the terms of appointment / agreement in accordance with the Companies Act, 2013, in force from time to time.

Your directors commend passing of the resolution proposed at Item No. 6.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Mr. Kamlesh Shah are concerned or interested, financial or otherwise, in the resolution set out at Item No.6.

Item No 7

For the purpose of the business of the company, the board of directors of your Company are required to borrow funds, within the limits approved by the members, *inter alia*, by issue of Non-Convertible Debentures (NCDs) in accordance with the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities Regulations, 2008) as amended.

In terms of Rule 14 (2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company can make a private placement of its securities including NCDs subject to prior approval of the shareholders by way of special resolution. The Rules further provides that the said special resolution shall be passed in respect of all offers / invitations for such debentures made during the year. Such an approval from the members to borrow funds by way of NCD is valid till the conclusion of the succeeding AGM.

In terms of the resolution passed by the members of the Company at the 28th annual general meeting (AGM) held on May 28, 2014, the members had accorded approval under the provisions of Section 180(1)(c) of the Companies Act, 2013 to the Board of Directors to borrow from time to time such sums of money on behalf of the Company not exceeding ₹ 12,000 crores outstanding at any one point of time. At the said 28th AGM, the members had also approved borrowing by way of NCDs upto an amount not exceeding ₹ 2,000 crores on a private placement basis. GRUH has during the year 2014-15, raised NCDs aggregating to ₹ 650 crore, through private placement.

As at March 31, 2015, the total borrowings of the Company amounted to ₹ 8,215.59 crores, are inclusive of Non-Convertible Debentures of ₹ 650 crores and unsecured redeemable subordinated debt Tier II NCD of ₹35 crores. These borrowings are within the overall limits of ₹ 12,000 crores as approved by the members at the 28th AGM held on May 28, 2014 and also subject to the NHB prescribed ceiling of 16 times of Net Owned Funds (NOF) at GRUH.

The NCDs proposed to be issued for cash either at par or premium or at a discount to face value depending upon the prevailing market conditions, shall be within the overall borrowing limits of ₹ 12,000 crores as approved by the members at the 28th AGM held on May 28, 2014 and also subject to the NHB prescribed ceiling of 16 times of NOF at GRUH.

Accordingly the approval of the members is being sought by way of special resolution as set out at Item No.7 for issue of Non-Convertible Debentures on a private placement basis during the period from the date of this meeting until the conclusion of the 30th Annual General Meeting, under one or more shelf disclosure document in or more series or tranches.

Your Directors recommend the passing of the special resolution proposed at Item No.7 of the Notice.

None of the directors or Key Managerial Personnel (KMP) of the company or their relatives, are in any way, financial or otherwise, concerned or interested in the said resolution.

April 16, 2015

By Order of the Board

Registered Office:

"GRUH", Netaji Marg,

Nr. Mithakhali Six Roads,

Ellisbridge, Ahmedabad 380 006.

CIN : L65923GJ1986PLC008809

Marcus Lobo

Company Secretary

GRUH FINANCE LIMITED

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**PROXY FORM**

Name of the member (s):

Registered Address:

..... E-mail ID:

Folio No. / Client Id: DP ID:

I/We, being the member (s) of shares of the GRUH Finance Limited, hereby appoint.

1. Name : Address :
- Email Id : Signature :
2. Name : Address :
- Email Id : Signature :
3. Name : Address :
- Email Id : Signature :

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29TH Annual General Meeting of the Company, to be held on Friday, June 26, 2015 at 10:30 a.m. at H.T. Parekh Convention Centre, Ahmedabd Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad 380 015 and at any adjournment thereof in respect of such resolutions as are indicated below:

****I wish my above Proxy to vote in the manner as indicated in the box below:**

Sr No.	Resolutions	Optional*	
		For	Against
1	Adoption of the Audited Financial Statement and Reports of the Board of Directors and the Auditors thereon for the year ended March 31, 2015.		
2	Declaration of Dividend on Equity Shares		
3	Re-appointment of Mr. K.G. Krishnamurthy (DIN : 00012579) who retires by rotation.		
4	Ratification of appointment of M/s. Sorab S. Engineer & Co., (Firm Registration No. 110417W) as Auditors and fixing their remuneration.		
5	Appointment of Mr. Biswamohan Mahapatra (DIN : 06990345) as an Independent Director.		
6	Re-appointment of Mr Kamlesh Shah (DIN : 03092230) as whole time Director, designated as an Executive Director for the period from April 16, 2015 to March 31, 2017.		
7	Approval for issue of Redeemable Non Convertible Debentures (NCDs) upto an amount not exceeding Rs.2000 crores and issue of Unsecured Redeemable Subordinated Debt - Tier II NCDs upto an amount of Rs.115 crores (both aggregating to Rs.2115 crores)		

Signed this _____ day of _____ 2015.



Signature of Shareholder: _____

(Affix Revenue Stamp)

Note :

- 1) **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.**
- 2) **A proxy need not be a member of the Company.**
- *3) For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 29TH Annual General Meeting. It is optional to put a "✓" in the appropriate column against the Resolutions indicated in the box. If you leave the "For" or "Against" column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/ she thinks appropriate.