

NOTICE is hereby given that an Extraordinary General Meeting of the Members of Edelweiss Housing Finance Limited ("The Company") will be held on Wednesday, November 3, 2021 at 2:00 p.m at the Registered Office of the Company situated at Edelweiss House, Off C.S.T. Road, Kalina, Mumbai - 400 098 to transact the following business.

SPECIAL BUSINESSES

1. Appointment of Statutory Auditors to fill casual vacancy

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

"RESOLVED THAT pursuant to the provisions of section 139 and 142 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and all other applicable laws, if any, M/s. NGS & Co. LLP, Chartered Accountants (Firm Registration No.: 119850W/W100013), be and are hereby appointed as the Statutory Auditors of the Company on such remuneration and out of pocket expenses as may be determined by the Board, to fill the casual vacancy in the office of Company's Statutory Auditor caused due to resignation of the existing Statutory Auditors, M/s. S. R. Batliboi & Co. LLP, Chartered Accountants and they shall hold the office till the conclusion of 14th Annual General Meeting to be held in the year 2022 and for a further period of two (2) years, from the conclusion of the 14th Annual General Meeting till the conclusion of the 16th Annual General Meeting of the Company to be held in the year 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things including fixing the remuneration in consultation with the Statutory Auditors, which may be deemed necessary and expedient to give effect to this resolution."

2. Revision in the remuneration limit for Mr. Rajat Avasthi, MD & CEO of the Company

To consider and, if thought fit, to pass, the following resolution as a Special Resolution:-

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force (the Rules), including any Guidelines and Circulars issued in this regard from time to time and subject to any statutory approvals as may be required, the approval of Members of the Company be and is hereby accorded for the below revision in the remuneration limit for Mr. Rajat Avasthi, Managing Director and Chief Executive Officer (MD & CEO) of the Company (DIN 07969623), which may exceed the limits prescribed under the Act, read with Schedule V:

- (a)** Salary Limit: Not to exceed Rs. 2,00,00,000/- per annum;
- (b)** Performance Bonus: In addition to salary, performance-based bonus, up to 200% of salary Limit, may also be paid and at such intervals as may be decided by the Board of Directors of the Company; and

(c) Perquisites: In addition to the salary and the performance bonus, Mr. Rajat Avasthi shall also be entitled to the perquisites.

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

RESOLVED FURTHER THAT the other terms and conditions relating to the said appointment remain unchanged.

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

3. Appointment of Mr. Gautam Chatterjee as an Independent Director

To consider and, if thought fit, to pass, the following resolution as an Special Resolution:-

"RESOLVED that pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules framed thereunder read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Gautam Chatterjee (DIN: 02464197), who was appointed by the Board of Directors of the Company as an Additional Director of the Company in terms of Section 161 of the Act and who has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act, being eligible, be and is hereby appointed as an Independent Director of the Company till the conclusion of the Annual General Meeting of the Company to be held in the year 2024.

FURTHER RESOLVED THAT any Director of the Company, Key Managerial Personnel and the Compliance Officer of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things, as may be necessary to give effect to this Resolution including to sign and execute the requisite forms, intimations, undertakings and other necessary papers (including appointment letter) with the Registrar of Companies, the Reserve Bank of India and other regulatory authorities in connection therewith and to take such steps, as may be necessary to give effect to this Resolution."

**For and on behalf of the Board
Edelweiss Housing Finance Limited**

**Shilpa Gattani
Director
DIN.:- 05124763**

Mumbai, November 1, 2021

Registered Office:

Edelweiss House,

Off. C.S.T. Road,

Kalina, Mumbai - 400098

CIN No.: U65922MH2008PLC182906

NOTES:

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

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1

Pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014, as amended, M/s. S. R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No.:301003E/E300005) was appointed as the Statutory Auditors of the Company by the Members at the 10th Annual General Meeting for a term of 5 (Five) years i.e. from the conclusion of 10th (Tenth) Annual General Meeting till the conclusion of 15th Annual General Meeting of the Company.

Further, the Reserve Bank of India ("RBI") issued a Notification RBI/2021-22/25 Ref. No. DoS. CD.ARG/SEC.01/08.91.001/2021-22 dated 27th April 2021 ('Notification') for appointment of Statutory Central Auditors (SCAs)/Statutory Auditors ("Statutory Auditors") of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) ("RBI Guidelines").

As per the requirement of the aforesaid guidelines, the Company can appoint Statutory Auditors for a continuous period of maximum three years, subject to the firms satisfying the eligibility norms on a continuous basis. Further, the Audit Firms completing tenure of three financial years in the NBFC are not eligible to continue to hold office as Statutory Auditors of the NBFC. Since the RBI Guidelines are being implemented for the first time for NBFCs from Financial Year 2021-22 and in order to ensure that there is no disruption, the RBI has given flexibility to NBFCs to appoint new Statutory Auditors in the second half of the financial year ending March 31, 2022.

M/s. S.R. Batliboi & Co. LLP, the existing Statutory Auditors of the Company have already completed audit for a continuous period of three years and are now ineligible to continue as Statutory Auditors of the Company in terms of the RBI Guidelines for the financial year ending 31st March 2022. M/s. S.R. Batliboi & Co. LLP has vide letter dated August 3, 2021 informed their ineligibility to continue as the Statutory Auditors of the Company in terms of the aforesaid RBI Guidelines and have accordingly resigned.

To comply with the aforesaid RBI Guidelines and the provisions of Act, the Board of Directors have appointed M/s. NGS & Co. LLP, Chartered Accountants as statutory auditors of the company, subject to shareholders approval, to hold the office till the conclusion of 14th Annual General Meeting to be held in the year 2022 and for a further period of two (2) years, from the conclusion of the 14th Annual General Meeting till the conclusion of the 16th Annual General Meeting of the Company to be held in the year 2024.

M/s. NGS & Co. LLP, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made will be within the limits specified under section 141(3)(g) of the Act and will be in compliance with the eligibility criteria / requirements specified under the Companies Act, 2013 and the RBI Guidelines.

The change / appointment of Statutory Auditors of the Company is to comply with RBI Guidelines and for no other reasons.

Brief profile and credentials of NGS & Co. LLP are as under:

NGS & Co. LLP, Chartered Accountants, was established in 1983. Over the years, the Firm has grown to a mid-sized single-window setup having 7 Partners and 4 qualified with a team of about 40 persons. The Firm's different verticals are headed by Senior Partners. The firm is involved in carrying out professional assignments in the areas of Auditing & Assurance - including Statutory & Internal Audits, Direct Taxation, Indirect Taxation, Corporate Laws, Corporate Advisory Services, Financial Services. The Firm is based at Mumbai and having two branches in MP and Rajasthan. The Firm is empaneled with Comptroller & Auditor General (CAG). Their clientele includes companies in varied industries like Banking, Non-Banking Finance Companies, Housing Finance Companies, Asset Reconstruction Company, Alternative Investment Funds, Share Brokers, Pharmaceuticals, Software, Logistics amongst others from Small and Medium Enterprises (SMEs) to Listed Companies.

Appointment of Statutory Auditors due to casual vacancy requires the approval of shareholders. Hence, the Board recommends this resolution set out in Item No. 1 as an Ordinary Resolution for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution, as set out at Item No. 1 of the Notice.

Item No. 2:

The Members at the 13th Annual General meeting of the Company, *inter alia*, approved the appointment of Mr. Rajat Avasthi (DIN - 07969623), as MD & CEO of the Company for a period of three years i.e. upto September 22, 2023 on such terms and conditions as mentioned therein and remuneration as detailed below:

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

Considering the remuneration policy, performance of the Company, the individual employees' performance and qualifications, experience and nature of his expertise, and on the recommendations of the Nomination and Remuneration Committee, the Board at its meeting held on June 28, 2021 approved the following revision in the remuneration limits for Mr. Rajat Avasthi, the Managing Director and Chief Executive Officer (MD & CEO) of the Company, subject to approval of the shareholders:

- a. Salary Limit: Not to exceed Rs. 2,00,00,000/- per annum;
- b. Performance Bonus: In addition to salary, performance-based bonus, up to 200% of salary Limit, may also be paid and at such intervals as may be decided by the Board of Directors of the Company; and
- c. Perquisites: In addition to the salary and the performance bonus, Mr. Rajat Avasthi shall also be entitled to the perquisites.

The other terms and conditions relating to the appointment of Mr. Rajat Avasthi as MD & CEO remained unchanged.

Brief terms and conditions of appointment:

Mr. Rajat Avasthi as MD & CEO of the Company shall perform such duties and responsibilities as may be assigned to him from time to time by the Board of Directors, for the aforesaid revised remuneration as more particularly provided in the resolution. His appointment as MD & CEO is upto September 22, 2023, and is liable to retire by rotation.

DISCLOSURES:**I. General Information about the Company:****(1) Nature of industry -**

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

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

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

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

Not applicable

(4) Financial performance based on given indicators:

As per the audited financial results for the year ended March 31, 2021, the Company's total revenue from operations stood at Rs. 548.72 crore and net profit after tax stood at Rs. 3.73 crore.

(5) Foreign investments or collaborations, if any:

The Company currently has no foreign investors or foreign collaborators.

II. Information about the appointee Mr. Rajat Avasthi:**(1) Background details/brief profile/Recognition or awards, if any:**

Mr. Rajat Avasthi is a MBA from University Business School, Chandigarh and holds graduation degree in Bsc. from University of Punjab. Mr. Rajat Avasthi has over 24 years of experience across various industries. He started his career with Asian Paints, where he worked for 18 years with roles in Sales and Corporate Marketing. In his last

assignment at Asian Paints he was involved in building a market entry strategy, and investment proposal, for Asian Paints' entry into Indonesia.

Prior to joining Edelweiss, he was associated with Vodafone as the CEO of their business in Punjab, Himachal Pradesh and Jammu & Kashmir.

(2) Past remuneration:

Mr. Avasthi who was appointed as the Chief Executive Officer of the Company with effect from October 25, 2018 and received remuneration of Rs. 20.94 million for the year ended March 31, 2020. Consequent to the approval of RBI, he assumed office as Managing Director with effect from September 23, 2020 along with being the CEO of the Company and received remuneration of Rs. 9.93 million for the financial year ended March 31, 2021.

(3) Job profile and his suitability:

Mr. Avasthi as MD & CEO shall be entrusted with substantial powers of management of the affairs of the Company and shall perform such duties and responsibilities as may be assigned to him from time to time by the Board of Directors, subject to the superintendence, control and directions of the Board and/or the sectoral regulator.

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

(4) Remuneration proposed:

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

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

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

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

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

III. Other information:

(1) Reasons of loss or inadequate profits:

Considering the challenges faced by the HFC industry to source liabilities coupled with the challenges due to the pandemic, the possibility of its resurgence or a third wave may reverse recovery of macro-economy, domestically as well as globally. Further, any abnormal surge in oil prices or further delay in revival of capex cycle can

also inhibit growth. In view of the same, the Company may not be able to make adequate profits and accordingly this resolution is proposed to be passed as enabling resolution in case of loss or inadequacy of profits.

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

Considering the overall economic situation and the problems faced by the Housing Finance Companies especially due to COVID, the steps taken by the Government and the Reserve Bank of India (RBI) to ease liquidity is expected to gradually improve the performance of the Company. Basis the same, the Company intends to take all possible steps to improve its performance.

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

The aforesaid challenges in the industry are expected to gradually improve, and accordingly the operations and the profits of the Company are expected to gradually improve.

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

None of the Directors (except Mr. Rajat Avasthi and/or his relatives), Key Managerial Personnel of the Company and/or any of their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution, as set out at Item No. 2 of the Notice.

ITEM NO. 3

Based on the recommendations of the Nomination and Remuneration Committee (Committee), the Board vide Circular Resolution on September 16, 2021, appointed Mr. Gautam Chatterjee (DIN: 02464197) as an Additional Director of the Company.

Mr. Gautam Chatterjee is a retired officer of the Indian Administrative Service of the Maharashtra Cadre. In his illustrious career spanning over 33 years, Mr. Chatterjee has held several important assignments both in the Government of Maharashtra and Government of India, notable among them being Collector of Ratnagiri, Additional Municipal Commissioner of Mumbai Municipal Corporation, Joint Director General of Foreign Trade in the Ministry of Commerce, CEO of Maharashtra Housing and Area Development Authority, CEO of Slum Rehabilitation Authority, OSD of Dharavi Redevelopment Project, Principal Secretary of Maharashtra Housing Department, Joint Secretary in the Ministry of Defence, Director General of Shipping in the Ministry of Shipping and Additional Chief Secretary, Transport and Ports Department of Government of Maharashtra. In accordance with the Secretarial Standards, the other details relating to Mr. Gautam Chatterjee are enclosed herewith and forms part of this explanatory Statement.

In accordance with the provisions of Section 149, 161 and other applicable provisions of the Companies Act, 2013 read with Schedule IV of the Companies Act, 2013 the appointment of Mr. Gautam Chatterjee, as Independent Director to hold office till the conclusion of the Annual General Meeting of the Company to be held in the year 2024, is now being placed before the Members for their approval.

Mr. Gautam Chatterjee has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. Accordingly, in the opinion of the Board, he fulfils the conditions specified in the Act for such an appointment.

Considering the experience of Mr. Gautam Chatterjee the Board recommends the Resolution at Item No. 3 of the accompanying Notice, for the approval of the Members by way of Special Resolution.

None of the Directors (except Mr. Gautam Chatterjee and/or his relatives), Key Managerial Personnel of the Company and/or any of their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution, as set out at Item No. 3 of the Notice.

**For and on behalf of the Board
Edelweiss Housing Finance Limited**

**Shilpa Gattani
Director
DIN.: 05124763**

Mumbai,
November 01, 2021

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

ATTENDANCE SLIP

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

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

Name of the Proxy: _____

(To be filled in, if the proxy form has been duly deposited with the Company)

I hereby record my presence at the Extra-Ordinary General Meeting of the Company to be held on November 3, 2021 at 2.00pm at Registered Office of the Company at Edelweiss House, Off C.S.T. Road, Kalina, Mumbai - 400 098, India.

No. of Shares held : _____

DP ID/Client ID No. : _____

Regd. Folio No. : _____

Member's/Proxy's Signature : _____

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

Signed this _____ day of _____, 2021

PROXY FORM

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

Name of the Member(s): _____
Registered address: _____ E-
mail Id: _____

Folio No. / Client ID No.: _____ DP ID No. _____

I/ We, being the member(s) holding _____ Equity Shares of the above named Company hereby appoint:

1. Name: _____ Email Id: _____ Address: _____
Signature: _____
_____ or failing him/her

2. Name: _____ Email Id: _____ Address: _____
Signature: _____
_____ or failing him/her

3. Name: _____ Email Id: _____ Address: _____
Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extra-Ordinary General Meeting of the Company to be held on Wednesday, November 3, 2021 at 2:00 p.m. at Registered office of the Company at Edelweiss House, Off C.S.T. Road, Kalina, Mumbai - 400 098, India and at any adjournment thereof in respect of such resolution as indicated below:

Sr. No.	Particulars of Resolution
1.	Appointment of Statutory Auditors
2.	Revision in remuneration limit for Mr. Rajat Avasthi, MD & CEO of the Company
3.	Appointment of Mr. Gautam Chatterjee as Independent Director

Signed this ____ day of _____ 2021

Signature of shareholder _____

Signature of Proxy holder(s) _____



Note:

1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at Edelweiss House, Off C.S.T. Road, Kalina, Mumbai - 400 098, India, not less than 48 hours before the commencement of the Meeting.
2. A member entitled to attend and vote is entitled to appoint proxy to attend and vote instead of himself

ROAD MAP FOR THE VENUE OF THE GENERAL MEETING OF EDELWEISS HOUSING FINANCE LIMITED

