

SCRUTINIZER'S REPORT

[Pursuant to Section 108 and 110 of the Companies Act, 2013 and Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
Mr. Deepak S. Parekh,
Chairman,
Housing Development Finance Corporation Limited,
Ramon House, H. T. Parekh Marg,
169, Backbay Reclamation,
Churchgate, Mumbai 400 020

Dear Sir,

1. I, N. L. Bhatia, Practicing Company Secretary (Membership No. FCS 1176 / C.P. No. 422) of Mumbai, have been appointed as the Scrutinizer by the Board of **Housing Development Finance Corporation Limited** (the Corporation) at its meeting held on 30th January, 2017 for scrutinizing the Postal Ballot process (including e-voting) for passing the following resolutions:

1.1. Increase in the Authorised Share Capital and amendments to the Capital Clause of the Memorandum of Association of Housing Development Finance Corporation Limited:

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

"RESOLVED THAT pursuant to the provisions of Section 61 read with Section 13 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, the Authorised Share Capital of the Corporation be and is hereby increased from Rs. 340,00,00,000 (Rupees Three Hundred and Forty Crore only) comprising 170,00,00,000 equity shares of face value of Rs. 2 each to Rs. 350,00,00,000 (Rupees Three Hundred and Fifty Crore only) comprising 175,00,00,000 equity shares of face value of Rs. 2 each AND THAT the existing Clause V of the Memorandum of Association of the Corporation be deleted and in place thereof the following new Clause be substituted –

V. The Authorised Share Capital of the Corporation is Rs. 350,00,00,000 (Rupees Three Hundred and Fifty Crore only) comprising 175,00,00,000 equity shares of face value of Rs. 2 each."



1.2. Approval for issuance of equity shares under Employees Stock Option Scheme-2017 to the employees and directors of Housing Development Finance Corporation Limited:

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

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, including the circulars and notifications issued by the Reserve Bank of India, the relevant provisions of Securities and Exchange Board of India (SEBI) (Share Based Employee Benefits) Regulations, 2014 and Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by SEBI (collectively referred to as SEBI ESOP Regulations) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum and Articles of Association of the Corporation and subject to such other rules, regulations and guidelines that may be issued by SEBI and/or such other authorities, from time to time, the consent of the Members of the Corporation be and is hereby accorded to the Board of Directors of the Corporation (hereinafter referred to as the ‘Board’ which term shall be deemed to include the Nomination and Remuneration Committee of Directors duly constituted by the Board which shall be designated as the Compensation Committee in pursuance of Regulation 5 of the SEBI ESOP Regulations, to exercise its powers including powers conferred by this resolution) to create, issue, offer and allot equity shares of the aggregate nominal face value not exceeding Rs. 9,97,03,048 (Rupees Nine Crore Ninety Seven Lac Three Thousand and Forty Eight only) represented by 4,98,51,524 equity shares of Rs. 2 each of the Corporation, fully paid (or such adjusted numbers for any bonus, stock splits or consolidation or other re-organisation of the capital structure of the Corporation as may be applicable, from time to time) to the present and future permanent employees and directors of the Corporation, whether in India or abroad (hereinafter referred to as ‘employees’), under the Employees Stock Option Scheme – 2017 (ESOS - 2017) in terms of this resolution and on such terms and conditions and in such tranches as may be decided by the Board, in its sole and absolute discretion.”

“RESOLVED FURTHER THAT the consent of the Members be and is hereby accorded to the Board to grant under ESOS - 2017, the options, if any, lapsed or that may lapse under the earlier employee stock option scheme(s) as the Board may decide in its sole and absolute discretion.”

“RESOLVED FURTHER THAT without prejudice to the generality of the above but subject to the terms mentioned in the explanatory statement to this resolution, which are hereby approved by the Members, or any amendment or modification thereof, the Board be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the terms and conditions of ESOS – 2017, from time to time,



as it may in its sole and absolute discretion decide, subject to the conformity with the SEBI ESOP Regulations and issue clarifications in this regard.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to decide on the number of options to be granted to each of the non-executive directors of the Corporation (to the extent and in the manner as may be permissible under the relevant provisions of the Companies Act, 2013, rules made there under and SEBI ESOP Regulations); subject however that the aggregate of such options to be granted to all non-executive directors shall not exceed a maximum of 3% of the options to be granted under ESOS – 2017 in any financial year and in aggregate.”

“RESOLVED FURTHER THAT subject to the terms stated herein, the equity shares allotted pursuant to this resolution shall rank *pari passu inter se* and with the then existing equity shares of the Corporation, in all respects.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in relation to the formulation and implementation of ESOS – 2017 and to the shares (including to amend or modify any of the terms thereof) issued herein without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to any Committee of Directors and/or director(s) and/ or officer(s) of the Corporation, to give effect to this resolution.”

2. I have given my consent to act as Scrutinizer vide letter dated 30th January, 2017. At the meeting of the Board of the Corporation, Mr. Ajay Agarwal, Company Secretary was made responsible for the entire postal ballot process and was authorized to do all things and to take all incidental and necessary steps smooth conduct of the entire process relating to the voting by Postal Ballot including e-voting.
3. The Corporation has extended the facility of e-voting to the shareholders who have registered their e-mail address with the Corporation, by tying up with the National Securities Depository Limited's (NSDL) e-voting facility.



4. The votes cast by the shareholders through the e-voting facility were scrutinized by verifying it using the scrutinizer's login on the NSDL e-voting Website after the close of e-voting period i.e. 5:00 P.M. IST on 10th March, 2017.
5. The postal ballot forms were kept under my safe custody before commencing the scrutiny of such postal ballot forms.
6. Scrutiny of ballots commenced on 14th February, 2017 in my presence and continued till 11th March, 2017.
7. The postal ballot forms were duly opened in the presence of my representatives and scrutinized and the shareholdings were matched / confirmed with the register of members of the Corporation/list of beneficiaries as on 31st January, 2017.
8. Particulars of all the postal ballot forms received from the members have been entered in the register.
9. All postal ballot forms received before the close of the working hours and e-voting cast up to 5.00 P.M. IST on 10th March, 2017, the last date and time fixed by the Corporation for receipt of votes were considered for my scrutiny.
10. Envelopes containing postal ballot forms received thereafter were not considered.
11. I have not found any defaced or mutilated ballot paper.
12. With reference to the above I submit my report as under:

The Corporation completed on 08th February, 2017, dispatch to the members of the Corporation, whose names were appearing on the register of members or list of beneficiaries as supplied by the depositories as on January 31, 2017, the postal ballot form along with Notice dated 30th January, 2017 ("the said Notice") containing the text of the resolutions and Explanatory Statement and self addressed prepaid business reply envelope by courier or registered/ speed post.

The Corporation's issued, subscribed and paid up equity capital is as under:

Particulars	Amount
1,58,50,88,925 Equity shares of Rs. 2/- each	Rs. 3,17,01,77,850/-



➤ RESOLUTION 1:VOTES CAST:

	Number of Members present and voting (in person or by proxy)	Number of Votes cast by them *	% of total number of valid votes cast
Voted in favour of the resolution	4619	1088923487	94.41
Voted against the resolution	247	64452820	5.59

Invalid Votes	Total number of members (in person or by proxy) whose votes were declared invalid	Total number of votes cast by them
	248	12519807

➤ RESOLUTION NO. 2VOTES CAST:

	Number of Members present and voting (in person or by proxy)	Number of Votes cast by them *	% of total number of valid votes cast
Voted in favour of the resolution	4164	1013088048	87.85
Voted against the resolution	626	140096852	12.15

Invalid Votes	Total number of members (in person or by proxy) whose votes were declared invalid	Total number of votes cast by them
	327	12711214



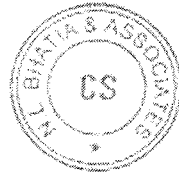
13. In view of the above scrutiny, I hereby certify that both the Resolutions have been passed with requisite majority

14. I have, today, handed over the Postal Ballot forms and other relevant papers / register and records for safe custody of Mr. Ajay Agarwal, Company Secretary who is authorized by the Board to supervise the Postal Ballot process.

You may accordingly declare the result of voting by Postal Ballot.

For NL Bhatia & Associates

UIN: P1996MH055800



N.L. Bhatia

Place: Mumbai

Date: 11th March, 2017

N.L. Bhatia

Managing Partner

Scrutinizer

FCS:-1176

For Housing Development Finance Corporation Ltd.

V. Srinivasa Rangan

V SRINIVASA RANGAN
EXECUTIVE DIRECTOR