

## HERO HOUSING FINANCE LIMITED

Registered Office: 9, Community Centre, Basant Lok, Vasant Vihar, New Delhi -110057

Tel: 011-49267000, Fax: 011-49487197; Website: www.herohousingfinance.com, Email: investors@herohfl.com

CIN: U65192DL2016PLC301481

### NOTICE FOR THE EXTRA ORDINARY GENERAL MEETING

NOTICE is hereby given that the EXTRA ORDINARY GENERAL MEETING of the Members of Hero Housing Finance Limited is scheduled to be held on shorter notice on Thursday, March 26, 2020 at 2.30 P.M. at B-109, Greater Kailash Part – I, New Delhi - 110048, India, to transact the following businesses:

#### **SPECIAL BUSINESS**

##### **Item No. 1**

#### **ISSUANCE OF SECURITIES THROUGH PRIVATE PLACEMENT**

To consider and, if thought fit, to pass the following resolution, with or without modifications, if any, as special resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and any other relevant rules made thereunder, including any statutory modification, amendment or re-enactment thereof and subject to all necessary approvals, consents, permissions and/or sanctions of the of the National Housing Bank (NHB) and any other statutory or regulatory authorities, if required and/or any third party, if applicable/required and subject to such terms and conditions as may be prescribed or imposed by any of them while granting such approvals, consents, permissions or sanctions and pursuant to the relevant provisions of the Memorandum and Articles of Association of the Company, the approval of the shareholders of the Company, be and is hereby accorded to issue, offer and allot 20,83,33,333 (Twenty Crore Eighty Three Lakhs Thirty Three Thousand Three Hundred Thirty Three) equity shares of face value of Rs. 10 (Rupees Ten) each, which may be partly paid up at the time of the allotment (**“Partly Paid Shares”**), through private placement (**“Proposed Private Placement”**) to the below mentioned subscriber (**“Proposed Subscriber”**), at a premium of Rs. 2 (Rupees Two) per Partly Paid Share and on such other terms and conditions as may be agreed with the proposed subscriber:

S. No.	Proposed Subscriber	Number of Partly Paid Shares to be subscribed
1.	Hero FinCorp Limited	20,83,33,333 (Twenty Crore Eighty Three Lacs Thirty Three Thousand Three Hundred Thirty Three)

**RESOLVED FURTHER THAT** the aforesaid Partly Paid Shares shall be paid in the following two tranches:

- (i) Rs. 7.20 (Rupees Seven and Twenty Paise) including face value of Rs. 6 (Rupees Six) and premium of Rs. 1.20 (Rupees One and Twenty Paise) per Partly Paid Share would be paid at application and allotment; and
- (ii) Rs. 4.80 (Rupees Four and Eighty Paise) including face value of Rs. 4 (Rupees Four) and premium of Paise 80 (Paise Eighty) per Partly Paid Share would be paid within 12 (Twelve) months of allotment.

**RESOLVED FURTHER THAT** the Partly Paid Shares (upon such Partly Paid Shares being fully paid up) to be offered, issued and allotted to the Proposed Subscriber pursuant to the Proposed Private Placement allotment shall rank *pari passu* with the existing equity shares of the Company, in all respects, including dividend, and shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company and such other terms as may be agreed among the Company and the Proposed Subscribers.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company (including the Committee of Directors), be and is hereby authorized to do all such acts, deeds, matters and things as the Board (including the Committee of Directors) may, in its absolute discretion, deem necessary, desirable or expedient including, without limitation: (i) to give such declarations, affidavits, undertakings, certificates, consents, authorities as may be necessary and required from time to time; (ii) to issue and allot the partly paid shares (iii) to adjust such application money received towards allotment of equity shares or otherwise for refund of such application money received pursuant to proposed allotment through private placement; (iv) to execute the necessary documents and enter into contracts, arrangements, agreements, documents (including appointment of agencies, intermediaries and advisors for the proposed allotment through private placement); (v) to resolve all the questions or doubts that may arise in relation to the proposed allotment through private placement; and (vi) to file all the requisite forms and documents with various regulatory/statutory authorities including stock exchanges, depositories, Registrar of Companies, Ministry of Corporate Affairs, National Housing Bank and Reserve Bank of India in connection with the proposed allotment through private placement; (vii) to authorize all such persons as may be necessary, in connection with, or incidental to, any of the foregoing, as the Board of Directors (including the Committee of Directors), in its absolute discretion, deems fit and (viii) to do all such things, deeds and acts and to comply with all the formalities, in each case, without being required to seek any fresh approval of the shareholders of the Company or otherwise, to the end and intent that the shareholders of the Company shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the copies of the foregoing resolutions, certified to be true by any Director or Company Secretary of the Company, may be furnished to any concerned person(s)/authority(ies) as may be required.”

By Order of the Board  
**For Hero Housing Finance Limited**

Sd/-  
**Vikas Gupta**  
**Company Secretary**  
**M.No. ACS 24281**

Date: March 26, 2020

Place: New Delhi

**Registered Office:**

9, Community Centre, Basant Lok,

Vasant Vihar, New Delhi- 110057,

**CIN:** U65192DL2016PLC301481

**Phone:** 011-49267000 **Fax:** 011-49487197-98

**Email Id:** investors@herohfl.com

**Website:** www.herohousingfinance.com

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays, Sundays and Bank holidays, between 11:00 A.M. and 1:00 P.M. upto the date of the aforesaid Meeting.
3. Members / proxies should bring the Attendance Slip duly filled in for attending the Meeting.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. Proxies registers are open for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting. Inspection shall be allowed between 11.00 A.M. and 5.00 P.M.
6. This meeting is being called at a shorter notice than the statutory required minimum of 21 clear days. Pursuant to the provisions of Section 101 of the Companies Act, 2013, a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by members, majority in number, entitled to vote and who represent not less than ninety-five per cent. of such part of the paid-up share capital of the company as gives a right to vote at the meeting. The members are accordingly requested to give their consents in the formats enclosed to hold the meeting at a shorter notice.
7. An explanatory statement pursuant to Section 102(1) of the Act setting out all material facts for the above proposed resolution is annexed hereto and forms part of this notice.

By Order of the Board  
**for Hero Housing Finance Limited**

Sd/-  
**Vikas Gupta**  
**Company Secretary**  
**M.No. ACS 24281**

Date: March 26, 2020

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**EXPLANATORY STATEMENT IN RESPECT OF THE PROPOSED RESOLUTION PURSUANT TO SECTION 102 OF THE ACT**

**Item no. 1**

In view of the increased long-term working capital requirements and to maintain the present rate of growth, the Company intends to raise further capital by issuance of equity shares on private placement basis.

The Company is proposing to issue 20,83,33,333 (Twenty Crore Eighty Three Lacs Thirty Three Thousand Three Hundred Thirty Three) equity shares of face value of Rs. 10 (Rupees Ten) each of the Company, which may be partly paid at the time of allotment ("Partly Paid Shares"), on a private placement basis ("Proposed Private Placement"), to the below mentioned subscriber ("Proposed Subscriber"), at a premium of Rs. 12 (Rupees Twelve) per Partly Paid Share and on such other terms and conditions as may be agreed with the Proposed Subscriber:

<b>S. No.</b>	<b>Proposed Subscriber</b>	<b>Number of Partly Paid Shares to be subscribed</b>
1.	Hero FinCorp Limited	20,83,33,333 (Twenty Crore Eighty Three Lacs Thirty Three Thousand Three Hundred Thirty Three )

For this purpose, the Board of Directors of the Company in their meeting held on March 26, 2020 accorded its approval for the proposed allotment through private placement. As per Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and allotment of securities) Rules, 2014, and other provisions, as may be applicable, an issuer is permitted to make a private placement of securities, if a special resolution has been passed by its members. Accordingly, the approval of the members of the Company is being sought, by way of a special resolution, to create, offer, issue and allot, equity shares, by way of allotment through private placement to the proposed allottee.

**Information under Sections 42 and 102 of the Act read with Rule 14 of the Companies (Prospectus and allotment of Securities) Rules, 2014:-**

<b>S.No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Particulars of the offer including date of passing of Board resolution	The Company proposes to issue to the Proposed Subscriber (on private placement basis), 20,83,33,333 (Twenty Crore Eighty Three Lakhs Thirty Three Thousand Three Hundred Thirty Three) equity shares of face value of Rs. 10 (Rupees Ten) each of the Company, which may be partly paid up at the time of allotment. The Board of Directors of the Company, in its meeting held on Thursday, March 26, 2020, has approved the said issuance.
2.	Kinds of securities offered and the price at which security is being offered	Equity shares of face value of Rs. 10 (Rupees Ten) per equity share (which may be partly paid at the time of allotment) to be issued at an issue price of Rs. 12 (Rupees Twelve) per equity share.
3.	Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	Valuation report dated March 20, 2020 prepared by CA Vikrant Jain, a registered valuer having registration no. IBBI/RV/05/2018/10204
4.	Name and address of valuer who performed valuation	CA Vikrant Jain, 2303, Tower No. 4, Cedar, Runwal Greens, Mulund Goregaon Link Road, Bhandup (West), Mumbai-400078
5.	Amount which the Company intends to raise by way of such securities	Rs. 249,99,99,996 (Rupees Two Hundred Forty Nine Crore Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred

		Ninety Six) by issue of 20,83,33,333 (Twenty Crore Eighty-Three Lacs Thirty Three Thousand Three Hundred Thirty Three) on a private placement basis, to the Proposed Subscribers, at a premium of Rs. 2 (Rupees Two) per Partly Paid Share and on such other terms and conditions as may be agreed with the Proposed Subscriber.
6.	(a) Material terms of raising such securities	The Partly Paid Shares will be paid-up in the following two tranches: (i) Rs. 7.20 (Rupees Seven and Twenty Paise) including face value of Rs. 6 (Rupees Six) and premium of Rs. 1.20 (Rupees One and Twenty Paise) per Partly Paid Share would be paid at application and allotment; and (ii) Rs. 4.80 (Rupees Four and Eighty Paise) including face value of Rs. 4 (Rupees Four) and premium of Paise 80 (Eighty paise) per Partly Paid Share would be paid within 12 (Twelve) months of allotment.
	(b) proposed time schedule	The Allotment shall be completed within 60 (Sixty) days from the date of receipt of the application money
	(c) purposes or objects of offer	The subscription amount raised through this private placement allotment shall be utilized in accordance with applicable law, for the ordinary course of business of the Company which shall inter alia include the general corporate purpose of the Company, funding of the Company, acquisition of shares or business of target entities by the Company, re-payment of the existing indebtedness (if any) of the Company, financing and/or re-financing for the growth and expansion of the Company, incurring capital expenditure and meeting the working capital requirements of the Company.
	(d) contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects	The promoter and promoters' group will contribute Rs. 249,99,99,996 (Rupees Two Hundred Forty Nine Crore Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred Ninety Six) by subscribing to 20,83,33,333 (Twenty Crore Eighty Three Lacs Thirty Three Thousand Three Hundred Thirty Three) Partly Paid Shares.
	(e) principle terms of assets charged as securities	N/A

The Company had appointed CA Vikrant Jain, a registered valuer having registration no. IBBI/RV/05/2018/10204, for determining the fair market value of the equity shares of the Company. A copy of the valuation report dated March 20, 2020 as received from the said valuer was tabled before the Board and is enclosed herewith. The Board, after detailed deliberations, approved the issue of Partly Paid Shares through private placement, in its meeting held on March 26, 2020. The issue of equity shares shall be made in accordance with the provisions of the Memorandum and Articles of Association of the Company and shall be made in a dematerialized format only. The Board of the Company recommends passing of the resolution as set out at Item No. 1 as a special resolution.

The issue of equity shares shall be made in accordance with the provisions of the Memorandum and Articles of Association of the Company and shall be made in a dematerialized format only.

The Board of the Company recommends passing of the resolution as set out at Item No. 1 as a special resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in this special resolution.

By Order of the Board  
**for Hero Housing Finance Limited**

Sd/-  
**Vikas Gupta**  
**Company Secretary**  
**M.No. ACS 24281**

Date: March 26, 2020

Place: New Delhi

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ATTENDENCE SLIP

**Extra Ordinary General Meeting – March 26, 2020**

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

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Number of Shares held

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I certify that I am a member/proxy/authorized representative for the member of the Company.

I hereby record my presence at the Extra Ordinary General Meeting of the Company to be held at shorter notice at B -109, Greater Kailash Part – 1, New Delhi - 110048 on March 26, 2020 at 2.30 P.M.

\_\_\_\_\_  
Name of the member/proxy  
(in BLOCK Letters)

\_\_\_\_\_  
Signature of the member/proxy

**Note:**

1. Please fill up this Attendance Slip and hand it over at the entrance of the Meeting place/hall.
2. Shareholders/Proxy holders wishing to attend the meeting should bring the duly filled attendance slip for the meeting.
3. Please read the instructions carefully before exercising your vote.

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**MGT-11**

**PROXY FORM**

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

**Extra Ordinary General Meeting- March 26, 2020**

Name of the Member(s)	
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Registered address	

Email	
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Folio No./Client ID	
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DP ID	
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I/We, being the Member(s) of \_\_\_\_\_ Equity Shares of Hero Housing Finance Ltd., hereby appoint:

Name: \_\_\_\_\_ Email: \_\_\_\_\_

Address \_\_\_\_\_

Signature \_\_\_\_\_ or failing him/her

Name: \_\_\_\_\_ Email: \_\_\_\_\_

Address \_\_\_\_\_

Signature \_\_\_\_\_ or failing him/her

Name: \_\_\_\_\_ Email: \_\_\_\_\_

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 at shorter notice on March 26, 2020 at 2.30 P.M. at B-109, Greater Kailash Part - 1, New Delhi - 110048 and at any adjournment(s) thereof, in respect of such Resolution as are indicated below:

Resolution No.	Description of Resolution	Vote (Optional see Note 2) (Mention number of shares)		
		For	Against	Abstain
<b>Special Business</b>				
1.	Approval for issuance of securities through private placement			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2020

Affix revenue stamp of Rs. 1
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\_\_\_\_\_

\_\_\_\_\_

Signature of the Member

Signature of the Proxy holder(s):

**Note:**

1. This form, in order to be effective, should be duly stamped, completed and deposited at the Registered Office of the Company not less than 48 hours before the Extra Ordinary General Meeting.
2. If you leave the 'for', 'against', 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.