

NOTICE TO MEMBERS

Notice is hereby given that the **17th Annual General Meeting** of the Members of **Vastu Housing Finance Corporation Limited** will be held at a shorter notice on Thursday, 29th April, 2021 at 10.30 a.m. through Video Conference facility from Registered Office of the Company situated at Unit Nos. 203 & 204, 2nd Floor, A wing, Navbharat Estates, Zakaria Bunder Road, Sewri (West) Mumbai – 400 015, India to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the:
 - a. Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2021 together with the Board's Report and Auditors' Report thereon; and
 - b. Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2021 together with the Auditors' Report thereon.
2. To consider re-appointment of Mr. Sandeep Menon (DIN: 02032154), Managing Director who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint Statutory Auditors for a term of five years and fix their remuneration and in this regard 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 Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. T R Chadha & Co. LLP, Chartered Accountants (Firm Registration No. 006711N/N500028), be and are hereby re-appointed as the Statutory Auditors of the Company, subject to necessary regulatory guidelines issued by the Reserve Bank of India, National Housing Bank and Ministry of Corporate Affairs for a term of 5 (five) years from the date of the conclusion of Seventeenth Annual General Meeting (AGM) till the conclusion of the Twenty Second AGM of the Company, at a remuneration to be decided by the Board of Directors of the Company.”

SPECIAL BUSINESS:

4. **Approval for appointment of Ms. Shyamala Gopinath (DIN: 02362921) as an Independent Director for a term of two (2) years**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and

VASTU HOUSING FINANCE CORPORATION LTD.

pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Ms. Shyamala Gopinath (DIN: 02362921), who was appointed as an Additional Director of the Company in independent capacity with effect from 1st February, 2021 by the Board of Directors of the Company and who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Companies Act, 2013 and Rule 6 (3) of the, Companies (Appointment and Qualification of Directors) Rules, 2014, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a first term of two consecutive years upto 31st January, 2023 at such remuneration/sitting fees as may be decided by the Board of Directors in consultation with Ms. Gopinath.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

5. Approval of Borrowing limits under Section 180(1)(c) of the Companies Act, 2013

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

“**RESOLVED THAT** in supersession of the resolution passed at the Annual General Meeting held on 9th August, 2019 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, approval of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company and/or the Borrowing and Investment Committee of the Board; to borrow from time to time, any sum or sums of money for the business of the Company from various entities (natural or artificial), including but not limited to financial institutions, co-operative banks, banks, association of persons and other body corporates; by way of advances, loans, issue of debentures/ bonds and/ or other instruments or otherwise, including by way of external commercial borrowings in foreign denominated currencies from any foreign sources/foreign countries as prescribed by statutory guidelines in this regard, if any, in such manner and upon such terms and conditions and with or without security, as may be deemed necessary and prudent by the Board or the Committee for the purposes of the Company, which, together with the money or monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) and outstanding may exceed the aggregate paid-up share capital of the Company and its free reserves, provided however that the total amount up to which monies may be borrowed by the Board of Directors or the Borrowing and Investment Committee and outstanding at any time, shall not exceed the limit of INR 2500,00,00,000/- (Indian Rupees Two Thousand Five Hundred Crores only).

RESOLVED FURTHER THAT Board of Directors of the Company and/or ALM Committee and/or such other Committee as may be authorised by the Board of Directors to submit annual borrowing plan not exceeding INR 2500,00,00,000/- (Indian Rupees Two Thousand Five Hundred Crores only) to the National Housing Bank (“NHB”) for availing refinance facility.

RESOLVED FURTHER THAT Board of Directors of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary expedient and incidental thereto for giving effect to this resolution.”

VASTU HOUSING FINANCE CORPORATION LTD.

6. Creation of charge on properties of the Company pursuant to Section 180(1)(a) of the Companies Act, 2013

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

“RESOLVED THAT in supersession of the resolution passed at the Annual General Meeting held on 9th August, 2019 and pursuant to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment(s) thereof, consent of the members of the Company be and is hereby accorded to pledge, mortgage and/or charge in all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or create a floating charge on all or any movable properties of the Company and the whole of the undertaking of the Company; to or in favour of Banks, Financial Institutions, any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the Principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the maximum extent of the indebtedness secured by the properties of the Company does not exceed INR 2500,00,00,000/- (Indian Rupees Two Thousand Five Hundred Crores only).

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorized to do such acts, deeds, things and execute all such documents, undertakings as may be necessary for giving effect to the above resolution.”

7. Approval for Private Placement of Non-convertible Debentures and/or other Debt securities

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 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations and guidelines, Foreign Exchange Management Act & Reserve Bank of India Guidelines, the Memorandum of Association and the Articles of Association of the Company and any other statutory modifications, re-enactments or amendments from time to time to the above mentioned regulations and rules and clarifications issued thereon from time to time and subject to other applicable laws, rules, regulations, guidelines, notifications and circulars issued by various competent authorities / bodies, whether in India or abroad, the consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as “Board”, which term shall include any Committee thereof which the Board may have constituted to exercise its powers including the powers conferred by this Resolution) of the Company, to raise funds through Private Placement of Unsecured / Secured Non-Convertible Debentures / Bonds (“Debt Instruments”) for an amount not exceeding INR 25,00,00,00,000/- (Indian Rupees Two Thousand Five Hundred Crores only) to eligible investors (whether residents, non-residents, institutions, banks, incorporated bodies, mutual funds, venture capital funds, financial institutions, individuals, trustees, stabilizing agents or otherwise and whether or not such investors are members

VASTU HOUSING FINANCE CORPORATION LTD.

of the Company), either in Indian Rupees or an equivalent amount in any foreign currency, in one or more tranches during the period of one year from the date of passing resolution in this Annual General Meeting at such price and on such terms and conditions as the Board may from time to time determine proper and beneficial and as may be mutually agreed between the Board and the Investors.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, invitation, issue or allotment through private placement of Debt Instruments, the Board and/or the Borrowing and Investment Committee of the Board; be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, finalizing the form / placement documents / offer letter, timing of the issue(s), including the class of investors to whom the Debt Instruments are to be allotted, number of Debt Instruments to be allotted in each tranche, issue price, redemption, rate of interest, redemption period, allotment of Debt Instruments, appointment of lead managers, arrangers, debenture trustees and other agencies, entering into arrangements for managing the issue, issue placement documents and to sign all deeds, documents and writings and to pay any fees, remuneration, expenses relating thereto and for other related matters and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to further delegate all or any of the powers in aforesaid matters to the officials of the Company, in such manners as the Board may in its absolute discretion deem fit.”

8. **Payment of Commission to Independent/eligible directors of the Company**

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(9), 197 and 198 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Schedule IV to the Companies Act, 2013 (“including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the resolution passed by the Board of Directors at its meeting held on 27th April, 2021, the Company hereby accords its consent and approval for payment of remuneration to Independent/eligible directors of the Company by way of commission not exceeding 1% of the Net Profit of the Company in lieu of their valuable contribution and services to the Company and 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 constitute to exercise its powers including powers conferred by this resolution) shall in their absolute discretion, decide the extent to which such remuneration/commission is payable to the Independent/eligible directors of the Company based on their individual services to the Company within the ceiling limit of 1% of the Net Profit of the Company.”

RESOLVED FURTHER THAT pursuant to the applicable provisions of the Companies Act, 2013 (Act) together read with the applicable Rules and relevant Schedule to the Act the Board be and is hereby

VASTU HOUSING FINANCE CORPORATION LTD.

authorised to delegate its power conferred by this resolution to any Director or Directors of the Company or the Nomination and Remuneration Committee to determine the extent to which such remuneration/commission is payable to the Independent/eligible directors of the Company based on their individual services to the Company AND FURTHER they shall be severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution.”

9. **Approval for an increase in remuneration of Mr. Sandeep Menon (DIN: 02032154), Managing Director**

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

“RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee and the Board at their respective meetings held on 27th April, 2021 and pursuant to the provisions of Sections 197 and 198 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V to the Companies Act, 2013 and subject to the provisions of the Articles of Association of the Company, approval of the members be and is hereby accorded for revision in remuneration of Mr. Sandeep Menon (DIN: 02032154), Managing Director, from the existing INR 2,02,23,000/- (Indian Rupees Two Crores Two Lakhs Twenty Three Thousand only) to INR 2,22,45,000/- (Indian Rupees Two Crores Twenty-Two Lakhs Forty-Five Thousand only) for the financial year 2021-22, inclusive of any remuneration payable directly or otherwise or by way of salary and perquisites, with liberty to the Board and/or the Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to by and between the Board or Nomination and Remuneration Committee and Mr. Sandeep Menon.

RESOLVED FURTHER THAT component wise breakup of abovementioned remuneration shall be as may be decided by Nomination and Remuneration Committee.

RESOLVED FURTHER THAT based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, One-time performance incentive of INR 2,02,23,000/- (Indian Rupees Two Crores Two Lakhs Twenty-Three Thousand only) be paid to Mr. Sandeep Menon, Managing Director for the Financial Year 2020-21.

RESOLVED FURTHER THAT in the event of no profits or inadequacy of profits, in any financial year, during the currency of term of Mr. Sandeep Menon, the Company shall pay Mr. Sandeep Menon, the existing remuneration as minimum remuneration by way of salary, perquisites and/or allowance, performance-based rewards/ incentives exceeding the limit laid down in Schedule V to the Companies Act, 2013, as applicable to the Company or such other limits, subject to the prior approval of the members of the Company if and to the extent necessary.

RESOLVED FURTHER THAT Directors of the Company be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution.”

VASTU HOUSING FINANCE CORPORATION LTD.

10. Approval for infusion of Equity Share Capital 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 provisions of Section 62, 42 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, Foreign Exchange Management Act & RBI Guidelines, the Memorandum of Association and the Articles of Association of the Company and any statutory modifications, re-enactments or amendments from time to time to the above mentioned regulations and rules and clarifications issued thereon from time to time and subject to other applicable laws, rules, regulations, guidelines, notifications and circulars issued by various competent authorities / bodies, if any, the Company hereby grants in-principal approval to raise equity capital of the Company by issuance of fresh Equity Share Capital for an amount of upto USD 100 to 125 million through issue of Equity Shares at such price as may be determined through valuation to eligible investors (whether residents, non-residents, institutions, banks, incorporated bodies, mutual funds, venture capital funds, financial institutions, individuals, trustees, stabilizing agents or otherwise and whether or not such investors are shareholders of the Company), either through right issue or private placement or both as may be decided by the Board, in one or more tranches. There could also be a potential secondary sale of up to USD 75 to 100 million.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution Board of Directors of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable.”

**By Order of the Board
for Vastu Housing Finance Corporation Limited**

Date: 27th April, 2021
Place: Mumbai

**Sandeep Menon
Managing Director
DIN: 02032154**

VASTU HOUSING FINANCE CORPORATION LTD.

NOTES

1. The Ministry of Corporate Affairs (“MCA”) has vide its Circular No. 14/2020 dated April 8, 2020, Circular No. 17/ 2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020 and General Circular No. 02/2021 dated January 13, 2021 (together referred to as “MCA Circulars”) has permitted to hold the Annual General Meeting (“AGM”) for the calendar year 2020 and 2021 through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the presence of the Members at a common venue, due to the outbreak of COVID-19 pandemic.
2. Pursuant to the framework provided in the above MCA Circulars, the meeting will be conducted through VC and accordingly the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However the corporate members are entitled to appoint authorised representatives to attend the AGM through VC and participate thereat and cast their vote by show of hands.
3. Those shareholders whose email ids are not registered, are requested to register their email id with the Company at cs@vastuhfc.com, by providing their name, address and email id.
4. Members, Board of Directors, Auditors including their representatives and other invitees may attend the AGM, by following the invitation link which would be sent to their registered email ids before the AGM.
5. In case of joint holdings, the credentials of the first named holder shall be accepted.
6. The attendance of the Members attending the AGM through VC will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
7. In case if the member is a Body Corporate/Institution, then they are requested to send scanned copy (PDF/ JPG format) of its board or governing body resolution/ authorization, authorizing its representative(s) to attend the AGM through VC/OAVM on its behalf.
8. The Members can join the AGM through VC mode 15 minutes before the scheduled time of the commencement of the meeting. In case of any technical assistance required for attending the AGM, Members may contact Mr. Pranav Navada (Contact no. 9082856293) before or during the AGM.
9. Members will be able to locate Meeting ID and Join Meeting tab. by clicking on Join Meeting, they will be redirected to the Meeting room via browser or by running temporary application.
10. The Members will be allowed to pose questions during the course of the Meeting. The queries can also be given in advance at cs@vastuhfc.com.
11. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of items of special business is annexed hereto and forms part of this notice.
12. Brief profile of Directors seeking appointment/ re-appointment at this Annual General Meeting, as required under the Secretarial Standards-2 on General Meetings, is annexed herewith and forms part of this notice.

VASTU HOUSING FINANCE CORPORATION LTD.

13. All the documents referred to in the Notice and Explanatory Statement are open for inspection of the members at the registered office of the Company on all working days during business hours and will also be available at the request by a member of the Company.
14. Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 as well as the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be made available for inspection at the request of the member(s).
15. In line with the aforesaid MCA Circulars the Notice calling the AGM along with the Annual Report for the Financial Year 2020-21 has been uploaded on the website of the Company at www.vastuhfc.com.
16. Members are encouraged to join the Meeting through Laptops for better experience.
17. 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.
18. Further, members will be required to allow Camera and use Internet audio settings as and when asked while setting up the meeting on Mobile App.
19. 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.
20. Any document in connection with any of the items to be transacted in the Notice shall be made available for inspection and any Member interested in obtaining a copy of the same may write to the Company Secretary at cs@vastuhfc.com or in case a member has any queries, he/she may write at cs@vastuhfc.com.
21. Since the AGM will be held through VC, the Route Map is not annexed to the Notice.

**By Order of the Board
for Vastu Housing Finance Corporation Limited**

Date: 27th April, 2021
Place: Mumbai

**Sandeep Menon
Managing Director
DIN: 02032154**

VASTU HOUSING FINANCE CORPORATION LTD.

Regd. Office: Unit Nos. 203 & 204, 2nd Floor, A wing, Navbharat Estates, Zakaria Bunder Road, Sewri (West) Mumbai 400015.
Tel: 022-2419 0911 • **Email:** customercare@vastuhfc.com • **Web:** www.vastuhfc.com
CIN: U65922MH2005PLC272501

EXPLANATORY STATEMENT ANNEXED TO THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3 – Re-appointment of Statutory Auditors of the Company

The Members of the Company at their Twelfth Annual General Meeting ('AGM') held on 15th June, 2016, had appointed M/s. T R Chadha & Co. LLP, Chartered Accountants (Firm Registration No. 006711N/N500028), as the Statutory Auditors of the Company for a period of five (5) consecutive years from the conclusion of the said AGM. M/s. T R Chadha & Co. LLP, Chartered Accountants will complete their present term on conclusion of the Seventeenth AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of your Company, subject to the approval of the Members, has re-appointed M/s. T R Chadha & Co. LLP, Chartered Accountants, as the Auditors of the Company, for a second term of five (5) years from the conclusion of the Seventeenth AGM till the conclusion of the Twenty Second AGM subject to necessary regulatory guidelines issued by the Reserve Bank of India, National Housing Bank and Ministry of Corporate Affairs.

M/s. T R Chadha & Co. LLP, Chartered Accountants have consented to act as the Statutory Auditors of the Company and have also provided their written confirmation that their re-appointment, if made, would be in accordance with the provisions of Section 139(1) of the Act read with Companies (Audit and Auditors) Rules, 2014 and that they further satisfy the criteria provided under Section 141 of the Act. They have also confirmed that they hold a valid certificate issued by the "Peer Review Board" of the Institute of Chartered Accountants of India in accordance with the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

The Board commends passing of the Ordinary Resolution set out at Item No. 3 of the Notice.

Item No. 4 - Approval for appointment of Ms. Shyamala Gopinath (DIN: 02362921) as an Independent Director for a term of two years

In terms of provisions of Sections 149, 152 and 160 of the Companies Act, 2013 read with Rule 4 and 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Ms. Shyamala Gopinath (DIN: 02362921) who was appointed as an Additional Director in the capacity of an Independent Director by the Board of Directors at their meeting held on 1st February, 2021, is proposed to be appointed as an Independent Director of the Company with approval of shareholders. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from Mr. Sandeep Menon, a member of the Company, proposing the candidature of Ms. Shyamala Gopinath for the office of Independent Director of the Company.

The Nomination and Remuneration Committee and the Board, at their respective Meetings held on 1st February, 2021, have recommended the appointment of Ms. Shyamala Gopinath (DIN: 02362921) as an Independent Director for a first term of two consecutive years.

The Company has received from Ms. Shyamala Gopinath, her consent to act as Director of the Company along with a declaration to the effect that she meets the criteria of independence as provided in Section

VASTU HOUSING FINANCE CORPORATION LTD.

149 of the Companies Act, 2013 and an intimation to the effect that she is not disqualified from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013.

In the opinion of the Board, Ms. Shyamala Gopinath fulfils the conditions specified in Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder read with Schedule IV to the Act. Members may also note that Ms. Gopinath is independent of the management.

A brief profile of Ms. Shyamala Gopinath including the nature of his expertise, the names of companies in which she holds directorships along with the details of membership / chairmanship on various committee of the Board of other companies, shareholding in the Company and relationship between the Directors inter-se is annexed to this Notice. Her office as an Independent Director of the Company would not be liable to retire by rotation in terms of Section 152 of the Companies Act, 2013.

The Board of Directors are of the view that your Company would benefit immensely from the rich and varied experience of Ms. Shyamala Gopinath and accordingly commends the passing of the ordinary resolution proposed at item no. 4 of the Notice.

Except Ms. Shyamala Gopinath and her relatives, none of the Directors, Key Managerial Personnel of Company or their relatives are, concerned or interested (financial or otherwise) in the said resolution.

The Board recommends approval for appointment of Ms. Shyamala Gopinath as an Independent Director and passing of the Ordinary Resolution as set out at Item No. 4.

Item Nos. 5 and 6 - Approval of Borrowing limits under Section 180(1)(c) of the Companies Act, 2013 and creation of charge on properties of the Company pursuant to Section 180(1)(a) of the Companies Act, 2013

In terms of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a Public Company cannot, except with the consent of the Company in General Meeting by Special Resolution, borrow monies (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) in excess of the paid-up share capital and free reserves, that is to say reserves not set apart for any specific purpose.

The shareholders of the Company at their Annual General Meeting held on 9th August, 2019 have authorised the Board to borrow upto INR 2,500 Crores (Indian Rupees Two Thousand Five Hundred Crore only). It is considered to ratify the said limits to INR 2,500 Crores (Indian Rupees Two Thousand Five Hundred Crore only) notwithstanding that such amount may exceed the paid-up share capital and free reserves of the Company.

The proposed borrowings by the Company, if required, is to be secured by mortgage or charge on all or any of the movable or immovable or any other tangible and intangible assets / properties of the Company (both present & future), in favour of any lender including the financial institutions / banks / debenture trustees etc. in such form, manner and ranking as may be determined by the Board of Directors and/ or any Committee thereof of the Company from time to time, in consultation with the lender(s).

The mortgage and / or charge on any of the movable and / or immovable or any other tangible and intangible assets / properties and / or the whole or any part of the undertaking(s) of the Company, to

VASTU HOUSING FINANCE CORPORATION LTD.

secure borrowings of the Company with a power to the charge holders to take over the management of the business of the Company in certain events of default, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013.

The resolutions contained in Item nos. 5 and 6 of the accompanying Notice, accordingly, seek shareholders' approval for increasing the borrowing limits and disposal of the Company's undertaking(s) by creation of mortgage / charge etc. thereon and for authorizing the Board of Directors of the Company to complete all the formalities in connection with the increase in the borrowing limits and creating charge on Company's properties, respectively.

None of the Directors, Key Managerial Personnel of Company or their relatives are, concerned or interested (financial or otherwise) in the said resolution. The Board recommends the resolutions as set out in Item Nos. 5 & 6 of the accompanying notice for the approval of the shareholders of the Company as Special Resolutions.

Item No. 7 - Approval for Private Placement of Non-convertible Debentures and/or other Debt securities

In order to provide the necessary flexibility of structuring the borrowings of the Company, it is proposed to borrow and raise by issue of Unsecured / Secured Non-Convertible Debentures / Bonds ("Debt Instruments") on private placement basis, as may be appropriate and as specified in the approvals, from both Indian and International markets, up to an amount not exceeding INR 2,500 Crores (Indian Rupees Two Thousand Five Hundred Crore only) under Sections 42 and 71 read with section 179 of the Companies Act, 2013. Such issue shall be subject to overall borrowing limits of INR 2,500 Crores (Indian Rupees Two Thousand Five Hundred Crore only) as approved by members at their Annual General Meeting held on 27th April, 2021 and will be issued in terms of the provisions of the Companies Act, 2013, Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time and other applicable laws, if any.

Pursuant to Sections 42 and 71 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, a Company offering or making an invitation to subscribe to Debt Instruments on a private placement basis is required to obtain prior approval of the shareholders by way of a Special Resolution. For Debt Instruments, it shall be sufficient if the company passes an omnibus Special Resolution only once in a year for all the offers or invitation for such Debt Instruments during the year. Thus, such approval by way of special resolution shall be valid for a period of One year starting from the date of the special resolution for all offers and invitations for such Debt Instruments to be made during the year. Accordingly, it is proposed to raise funds through Private Placement of Debt Instruments in one or more tranches during the period of one year from the date of passing resolution in this Annual General Meeting. Such Debt Instruments shall be issued to such person or persons, who may or may not be the members of the Company, as the Board or any duly constituted Committee of the Board or such other authority as may be approved by the Shareholders / Board, may think fit and proper.

The resolution contained in Item no. 7 of the accompanying Notice, accordingly, seeks shareholders' approval by way of a Special Resolution for raising funds through Private Placement of Debt Instruments

VASTU HOUSING FINANCE CORPORATION LTD.

in one or more tranches during period of one year as aforesaid and authorizing the Board of Directors (or any duly constituted Committee of the Board or such other authority as may be approved by the Board) of the Company to complete all the formalities in connection with the issue and allotment of Debt Instruments.

None of the Directors, Key Managerial Personnel of Company or their relatives are, concerned or interested (financial or otherwise) in the said resolution. The Board recommends the resolution as set out in Item No. 7 of the accompanying notice for the approval of the shareholders of the Company as a Special Resolution.

Item No. 8 - Payment of Commission to Independent/eligible directors of the Company

The Board of Directors at its meeting held on 27th April, 2021 on the recommendation made by the Nomination and Remuneration Committee held on the same day considered and approved payment of profit related commission to Independent/eligible directors of the Company, under the provisions of Sections 149(9) and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014, of the Act and subject to approval by the members of the Company.

With the enhanced Corporate Governance requirements under the Act the role and responsibilities of the Board, particularly Independent Directors has become more onerous, requiring greater time commitments, attention and a higher level of oversight.

The above commission shall be in addition to fees payable to the Independent/eligible directors of the Company for attending meetings of the Board/Committees or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participation in the Board and other meetings.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the members.

Accordingly, members' approval is sought by way of an Ordinary Resolution for payment of commission to the Independent/eligible directors of the Company as set out in the said resolution.

Except for Independent/eligible directors and their relatives, none of the other Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out in Item No 8.

Item No. 9 - Approval for an increase in remuneration of Mr. Sandeep Menon (DIN: 02032154), Managing Director

The members of the Company at their Annual General Meeting held on 28th July, 2020 approved remuneration of Mr. Sandeep Menon (DIN: 02032154), Managing Director of INR 2,02,23,000/- (Indian Rupees Two Crores Two Lakhs Twenty Three Thousand only) for the Financial Year 2020-21. Based on the recommendation made by Board and Nomination and Remuneration Committee at their meetings held

VASTU HOUSING FINANCE CORPORATION LTD.

on 27th April, 2021, it is proposed to increase the remuneration to INR 2,22,45,000/- (Indian Rupees Two Crores Twenty-Two Lakhs Forty-Five Thousand only) for the Financial Year 2021-22. All other terms of appointment of Mr. Sandeep Menon as approved by the members at their meeting held on 16th May, 2018 shall remain unchanged.

Mr. Sandeep Menon shall perform such duties as shall from time to time be entrusted to him by the Board of Directors, subject to superintendence, guidance and control of the Board. If the remuneration sought to be paid to Mr. Sandeep Menon exceeds at any time, limits prescribed under the Companies Act, 2013, it would be paid subject to the approval of the members by way of a Special Resolution and members to authorize the Directors of the Company and/or the Nomination and Remuneration Committee of the Company to revise the remuneration to be paid to Mr. Sandeep Menon, Managing Director during the currency of his tenure within limits envisaged under Schedule V to the Companies Act, 2013.

Except for Mr. Sandeep Menon and his relatives, none of the other Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out in Item No 9. The Board recommends the resolution as set out in Item No. 9 of the accompanying notice for the approval of the members of the Company as a Special Resolution.

Item No. 10 – Approval for infusion in Equity Share Capital of the Company

The Members are requested to note that at the Board at their meeting held on 27th April, 2021, granted in-principal approval for raising further capital up to USD 100 to 125 million through the issue of equity shares for cash, in one or more tranches to eligible investors as may be decided by the Board from time to time as per the provisions of the Companies Act, 2013. There could also be a potential secondary sale of up to USD 75 to 100 million.

The resolution contained in Item no. 10 of the accompanying notice, accordingly, seeks members' approval by way of a Special Resolution for raising funds through infusion in Equity Share Capital of the Company in one or more tranches during a period of one year as aforesaid and authorizing the Board of Directors (or any duly constituted committee of the Board or such other authority as may be approved by the Board) of the Company to complete all the formalities in connection with the issue and allotment of Equity Shares.

None of the Directors, Key Managerial Personnel of Company or their relatives are, concerned or interested (financial or otherwise) in the said resolution. The Board recommends the resolution as set out in Item No. 10 of the accompanying notice for the approval of the members of the Company as a Special Resolution.

**By Order of the Board
for Vastu Housing Finance Corporation Limited**

**Sandeep Menon
Managing Director**

Date: 27th April, 2021

VASTU HOUSING FINANCE CORPORATION LTD.

ADDITIONAL INFORMATION AND BRIEF PROFILES OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE SEVENTEENTH AGM PURSUANT TO CLAUSE 1.2.5 OF SECRETARIAL STANDARDS ON GENERAL MEETING (SS – 2)

Name of Director	Mr. Sandeep Menon	Ms. Shyamala Gopinath
DIN	02032154	02362921
Designation	Managing Director	Appointed as an Additional Director In the capacity of Independent Director, subject to shareholders' approval
Date of Birth (Age)	22/11/1972 (48 years)	20/06/1949 (71 years)
Date of first appointment on the Board	25 th January, 2014	1 st February, 2021
Qualifications	LLB, PGDBM (MBA), Masters in Management Science (MMS)	Certified Associate of the Indian Institute of Banking and Finance and Master's degree in Commerce from University of Mysore
Experience	Mr. Sandeep Menon is the Founder Managing Director and CEO at Vastu (post change of ownership and control) He is a senior banker with over 23 years of Diverse experience in General Management, Business Strategy and Risk Management with various country level business leadership roles across Consumer Lending, SME Lending, Home Loans, Personal Loans and Commercial Finance across leading Foreign Banks and Financial Institutions such as GE Capital, Standard Chartered Bank and Barclays Bank Plc. He has built large lending business across Secured and UnSecured Lending. Sandeep was part of the founding team at Barclays Bank PLC in India as the Director and Head of Retail Assets and Banking Strategy.	Ms. Shyamala Gopinath has over nearly four decades of rich experience in financial sector policy formulation in different capacities at Reserve Bank of India (RBI). At RBI, she held key positions and guided & influenced national policies in diverse areas of financial sector regulation and supervision, the development and regulation of financial markets, capital account management, management of government borrowings, foreign exchange reserve management and payment and settlement systems. She has served on several committees while with RBI. During 2001 to 2003, she was deputed as Senior Financial Expert at the International Monetary Fund. Ms. Gopinath retired as Deputy Governor of RBI, a position that she held for nearly 7 years. She served as Chairperson Advisory Board on Bank, Commercial and Financial Frauds for two years from 2012 to 2014.

VASTU HOUSING FINANCE CORPORATION LTD.

		<p>Ms. Gopinath was also the Chairperson of the Board of Corporate Bonds and Securitisation Advisory Committee of SEBI.</p> <p>Since 2012, Ms. Gopinath has held several Board positions in large institutions and public sector undertakings such as Clearing Corporation of India, Indian Oil Corporation Limited, GAIL and Ernst & Young (Global Governance Council). Until Dec 2020, she was the part-time Non-Executive Chairperson of HDFC Bank Ltd. Presently, Ms. Gopinath serves as Independent Director on the Boards of other renowned companies. She is the Chairperson of the Board of Governors of Indian Institute of Management, Raipur.</p>
Shareholding in the Company as on date	0.37%	Nil
Number of meeting of the Board attended during the FY 2020-21/ Number of meetings held during the tenure of Director	4	Board Meetings attended: 1 Board Meetings held during his tenure: 1
Directorships held in other Companies as on date	Vastu Finserve India Private Limited	<ol style="list-style-type: none"> 1. Colgate-Palmolive (India) Limited 2. BASF India Limited 3. Tata Elxsi Limited 4. CMS Info Systems Limited 5. Grassroot Trading Network For Women 6. CRISIL Limited 7. CRISIL RATINGS LIMITED
Particulars of Committee Chairmanship/ Membership held in other Companies	Nil	<p>Colgate-Palmolive India Ltd.:</p> <ol style="list-style-type: none"> i. Audit Committee (Chairperson) ii. Stakeholders Relationship Committee (Chairperson) iii. Risk Management Committee (Member)

VASTU HOUSING FINANCE CORPORATION LTD.

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CIN: U65922MH2005PLC272501

		<p>BASF India Ltd.</p> <p>i. Audit Committee (Chairperson) ii. Nomination and remuneration committee (Member) iii. Stakeholders Relationship Committee (Chairperson) iv. Risk Management Committee (Member)</p> <p>TATA Elxsi Ltd.</p> <p>i. Audit Committee (Chairperson) ii. Nomination and remuneration committee (Chairperson) iii. Corporate Social Responsibility Committee (Member)</p> <p>CRISIL Limited</p> <p>i. Risk Management Committee (Member)</p>
Relationship with other Directors / KMP of the Company	Nil	Nil
Terms and Conditions of appointment/ re-appointment	Director being eligible is re-appointed as per the provision of section 152 of the Companies Act, 2013 and as per the Articles of the Company.	Appointed as an Independent Director, subject to shareholders' approval not liable to retire by rotation
Remuneration sought to be paid	INR 2,22,45,300/-	As per the provisions of Companies Act, 2013
Remuneration last drawn during FY 2020-21	INR 2,02,23,000/-	Not Applicable
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Nil	Nil

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