NOTICE

NOTICE is hereby given that the Extraordinary General Meeting (EGM) of Fullerton India Home Finance Company Limited will be held at 11 a.m. IST on Thursday, 25 March, 2021 through Two Way Video Conferencing ('VC') to transact the following business:

Special business:

1. **To re-appoint Mr. Rakesh Makkar as Chief Executive Officer & Whole-time Director (CEO & WTD) of the Company**

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 203 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with rules made thereunder, as amended from time to time, read with Schedule V to the Act, and other applicable law, and Article 139 of Articles of Association of the Company and such other approvals as may be required, consent of the members be and is hereby accorded for the reappointment of Mr. Rakesh Makkar (DIN: 01225230) as the Chief Executive Officer & Whole-time Director of the Company for a period of 1 (one) year with effect from March 16, 2021 to March 15, 2022 upon such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of re-appointment as specified hereunder,) with liberty to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed between the Board and Mr. Makkar and that upon such re-appointment, his office shall not be liable to determination by retirement by rotation.

RESOLVED FURTHER THAT his appointment shall be subject to the following terms and conditions:

I. Powers and Duties

The Chief Executive Officer & Whole-time Director shall be subject to superintendence, control and direction of the Board and shall be in the overall charge of the functioning of the Company, including, inter-alia, handling of the day-to-day business of the Company, appointment and termination of senior employees of the Company, acting on behalf of the Board and/or the Company and perform all the duties delegated to him by the Board by way of a General Power of Attorney or otherwise and which can be delegated to him from time to time in the future.

II. Remuneration

Mr. Makkar shall be entitled to the remuneration, as may be decided by the Nomination and Remuneration Committee from time to time and which shall not exceed five percent of the net profits calculated in the manner specified under the Act and rules specified thereunder.

Further, if during the currency of tenure of Mr. Makkar, the Company has no profits or its profits are inadequate, he shall be entitled to minimum remuneration in excess of the limits prescribed under Schedule V to the Companies Act, 2013 as specified herein under:

i. Basic Salary (Basic) in the range of Rs. 57 lacs to Rs. 96 lacs per annum.

ii. Salary: Salary (i.e. Basic & Dearness allowance & any other allowance (H.R.A. + S.A.)) in the range of Rs. 142 lacs to Rs. 239 lacs per annum.

iii. House Rent Allowance (H.R.A.) in the range of Rs. 28 lacs to Rs. 48 lacs per annum

iv. Special Allowance (S.A.) in the range of Rs. 57 lacs to Rs. 96 lacs per annum

v. Perquisites: Perquisites (evaluated as per the Income Tax Act, 1961 and rules framed there under, wherever applicable, and at actual cost to the Company in other cases) like the benefit of medical and accident insurance as per policy, personal insurance; medical reimbursement for self and family, leave & leave travel concession, as the case may be, from time to time, as applicable to the members of the staff.

vi. Retirement benefits: provident fund at 12% of Basic Salary, gratuity at 15 days Basic Salary for every completed year of service and other retirement benefits, in accordance with the scheme/s and rule/s applicable to the members of the staff.

vii. Bonus: Payment of Bonus up to the percentage of performance bonus paid to the employees as per guidelines or such additions as may be reasonable, as may be determined by the board or any committee thereof, based on an achievement of such performance parameters as may be laid down by the Board of Directors or any committee thereof.

RESOLVED FURTHER THAT Ms. Seema Sarda, Company Secretary be and is hereby authorized to file various necessary forms and furnish any other information with the Registrar of Companies, NHB and/or any other regulator/s and furnish certified copy of this resolution to the concerned authorities and agencies as and when required and do all such acts, deeds, things and matters which may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution."

On behalf of the Board of Directors
For Fullerton India Home Finance Company Limited

Seema
Nirav Sarda

Digitally signed by Seema Nirav Sarda
DN: c=IN, o=Personal, 2.5.4.20=fe7f45763a84902074696f0f3d4c7c005b773284878da1cfe2db0b72314594bf, postalCode=400092, st=Maharashtra, serialNumber=4fb2f51e886211e36688378f5f005f0835c04203730c73644cb9b1273b9f48af, cn=Seema Nirav Sarda
Date: 2021.03.22 22:01:59 +05'30'

Seema Sarda
Company Secretary

Date: 16 March, 2021
Place: Mumbai

NOTES:

a. In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to the Circulars issued by MCA dated 8th April, 2020, 13th April, 2020, 15th June, 2020, 28th September, 2020 and 31st December, 2020 ("MCA Circulars"), the EGM of the Company is being conducted through VC Facility, without the physical presence of Members at a common venue. The deemed venue for the EGM shall be the Registered Office of the Company.
b. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
c. In compliance with the aforesaid MCA circulars and notice of the EGM is being sent only through electronic mode to members whose email addresses are registered with the Company. Members may note that Notice will also be available on Company's website.
d. Since this EGM is being held pursuant to the MCA circulars through VC, physical attendance of Members has been dispensed with.
e. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 ("the Act") and Register of Contracts or Arrangements in which directors are interested maintained under section 189 of the Act will be available electronically for inspection by the members during the time of EGM.
f. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
g. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
h. The link to attend the EGM will be shared separately via email before the meeting. Notice of this EGM will also be available on the website of the Company viz. https://www.grihashakti.com/
i. Participation of Members through VC will be reckoned for the purpose of quorum for the EGM as per section 103 of the Act.
j. Facility of joining the EGM through VC shall be kept open 30 minutes before the time scheduled for the EGM and will be available for members on first come first serve basis.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:

Item No. 1: To re-appoint Mr. Rakesh Makkar as Chief Executive Officer & Whole-time Director (CEO & WTD) of the Company

The tenure of Mr. Rakesh Makkar will expire on March 15, 2021. It is proposed to reappoint him for a period of 1 year, from March 16, 2021 to March 15, 2022.

Subject to the approval of the Shareholders of the Company, the Nomination and Remuneration Committee through circular resolution passed on 09 March, 2021 and the Board of Directors of the Company had, vide resolution passed on 16 March, 2021, approved reappointment of Mr. Rakesh Makkar as CEO & WTD of the Company, with effect from March 16, 2021, for the period 1 year from March 16, 2021 to March 15, 2022. It is proposed to re-appoint him and approve his remuneration as CEO & WTD of the Company. A brief profile of Mr. Makkar, is provided here in under:

Mr. Rakesh comes with over two decades of expertise in establishing new and successful businesses; managing large and multi-pronged distribution networks; and developing unique and customer-centric products - all within a robust Risk Management framework. Prior to assuming the role of CEO at Grihashakti, Rakesh spearheaded Business, Marketing & CSR functions at Fullerton India. Before joining Fullerton India, Rakesh held the position of President and Chief Distribution Officer at DHFL. It has been Rakesh's forte to set up new finance companies and scale up business volumes. Prior to his stint with DHFL, Rakesh was the CEO at Future Money (Capital First) and was a part of the senior leadership team at Citigroup India. Not only is he a national rank holder at the Institute of Chartered Accountants of India but also a Certified International Credit and Risk trainer within Citigroup. He also holds a Masters from the Institute of Management Technology, Ghaziabad and Bachelors from Delhi University.

The proposed remuneration and terms and conditions of appointment of Mr. Rakesh Makkar is as given below:

i. Basic Salary (Basic) in the range of Rs. 57 lacs to Rs. 96 lacs per annum.

ii. Salary: Salary (i.e. Basic & Dearness allowance & any other allowance (H.R.A. + S.A.)) in the range of Rs. 142 lacs to Rs. 239 lacs per annum.

iii. House Rent Allowance (H.R.A.) in the range of Rs. 28 lacs to Rs. 48 lacs per annum

iv. Special Allowance (S.A.) in the range of Rs. 57 lacs to Rs. 96 lacs per annum

v. Perquisites: Perquisites (evaluated as per the Income Tax Act, 1961 and rules framed there under, wherever applicable, and at actual cost to the Company in other cases) like the benefit of medical and accident insurance as per policy, personal insurance; medical reimbursement for self and family, leave & leave travel concession, as the case may be, from time to time, as applicable to the members of the staff.

vi. Retirement benefits: provident fund at 12% of Basic Salary, gratuity at 15 days Basic Salary for every completed year of service and other retirement benefits, in accordance with the scheme/s and rule/s applicable to the members of the staff.

vii. Bonus: Payment of Bonus up to the percentage of performance bonus paid to the employees as per guidelines or such additions as may be reasonable, as may be determined by the board or any committee thereof, based on an achievement of such performance parameters as may be laid down by the Board of Directors or any committee thereof.

Due to COVID-19 pandemic, the profits to be earned by the Company during the financial year commencing from April 1, 2020 to March 31, 2021 may not be as per expectations and may become inadequate for the purpose of managerial remuneration in terms of Section 197 of the Companies Act, 2013. The Company has been making necessary efforts to improve its profitability by pursuing and implementing strategies.

In view of the above, the payment of the managerial remuneration for the current year(s) may fall within the purview of Section II of Part II of Schedule V of the Companies Act, 2013 which lays down the following limits for payment of managerial remuneration:

TABLE A

(1)	(2)
Where the effective capital is	Limit of yearly remuneration payable shall not exceed (Rupees)
(i) Negative or less than 5 crores	60 Lakhs
(ii) 5 crores and above but less than 100 crores	84 Lakhs
(iii) 100 crores and above but less than 250 crores	120 Lakhs
(iv) 250 crores and above	120 lakhs plus 0.01% of the effective capital in excess of Rs. 250 crores:

The remuneration proposed to be paid may be in excess of the above limits. Therefore, approval of the shareholders is now sought by way of a special resolution for payment of remuneration specified above as minimum remuneration during March 16, 2021 to March 15, 2022 in line with the provisions of Section II of Part II of Schedule V to Companies Act, 2013. Further, the Company has not made any default in repayment of any of its debts or interest payable thereon to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

Mr. Makkar is not related to any director and Key Managerial Personnel of the Company.

None of the Directors, Key Managerial Personnel and their relatives other than Mr. Makkar are, in any way, concerned or interested (financially or otherwise) in the proposed resolution. The resolution set out in Item no.1 of this Notice is accordingly recommended for your approval by passing Special resolution.

The information required under Section II, Part II of Schedule V to the Companies Act, 2013 with reference to Special Resolution is as follows:

I. General Information		
1.	Nature of Industry	The Company is a Housing Finance Company duly registered under sub-section (5) of section 29A the National Housing Bank Act, 1987 which offers loans to salaried and self-employed individuals and organizations.

<table>
<tr><td>2.</td><td>Date of Commencement of Commercial Production</td><td>Commercial Operations commenced in the year 2010</td></tr>
<tr><td>3.</td><td>Financial performance based on given indicators</td><td>INR in lakhs
<table>
<tr><th>Particulars</th><th>HY 1 2020-21</th><th>FY 2019-20</th><th>FY 2018-19</th></tr>
<tr><td>Total Income</td><td>26,672</td><td>54,145</td><td>32,980</td></tr>
<tr><td>Net Profits</td><td>990</td><td>1,391</td><td>48</td></tr>
</table></td></tr>
<tr><td>4.</td><td>Foreign investments or collaborators, if any</td><td>Capital Infusion by Fullerton India Credit Company (parent company) in 2019</td></tr>
<tr><td colspan="3">II. Information about the appointee</td></tr>
<tr><td>1.</td><td>Background details</td><td>Mr. Rakesh comes with over two decades of expertise in establishing new and successful businesses; managing large and multi-pronged distribution networks; and developing unique and customer-centric products - all within a robust Risk Management framework. Prior to assuming the role of CEO at Grihashakti, Rakesh spearheaded Business, Marketing & CSR functions at Fullerton India. Before joining Fullerton India, Rakesh held the position of President and Chief Distribution Officer at DHFL. It has been Rakesh’s forte to set up new finance companies and scale up business volumes. Prior to his stint with DHFL, Rakesh was the CEO at Future Money (Capital First) and was a part of the senior leadership team at Citigroup India. Not only is he a national rank holder at the Institute of Chartered Accountants of India but also a Certified International Credit and Risk trainer within Citigroup. He also holds a Masters from the Institute of Management Technology, Ghaziabad and Bachelors from Delhi University.</td></tr>
<tr><td>2.</td><td>Past remuneration paid</td><td>The shareholders, vide special resolution passed in the extraordinary general meeting held on January 01, 2019 approved payment of remuneration in excess of limits prescribed in Schedule V to the Companies Act, 2013.

Remuneration paid during the FY 2018-19 and 2019-20 were Rs. 2.66 crores and 4.51 crores respectively as per the annual report.</td></tr>
<tr><td>3.</td><td>Recognition or awards</td><td>NA</td></tr>
</table>

4.	Job profile and his suitability	The Nomination and Remuneration Committee of the Company and the Board of Directors after their evaluation earlier had deemed it fit to recommend Mr. Makkar as the CEO and WTD of the Company. Mr. Rakesh comes with over two decades of expertise in establishing new and successful businesses; managing large and multi-pronged distribution networks; and developing unique and customer-centric products - all within a robust Risk Management framework. Prior to assuming the role of CEO at Grihashakti, Rakesh spearheaded Business, Marketing & CSR functions at Fullerton India. Before joining Fullerton India, Rakesh held the position of President and Chief Distribution Officer at DHFL. It has been Rakesh's forte to set up new finance companies and scale up business volumes. Prior to his stint with DHFL, Rakesh was the CEO at Future Money (Capital First) and was a part of the senior leadership team at Citigroup India. Not only is he a national rank holder at the Institute of Chartered Accountants of India but also a Certified International Credit and Risk trainer within Citigroup. He also holds a Masters from the Institute of Management Technology, Ghaziabad and Bachelors from Delhi University.
5.	Remuneration proposed	As mentioned above.
6.	Comparative remuneration with respect to industry, size of company, profile of the position and person	The remuneration proposed to be paid to Mr. Makkar is purely based on merit. Further, the Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Makkar before recommending the remuneration as proposed hereinabove.
7.	Pecuniary Relationship with the Company and Other Managerial Person in the Company	Besides the remuneration proposed, Mr. Rakesh Makkar does not have any pecuniary Relationship with the Company.
III. Other Information		
1.	Reasons for loss or inadequate profits	Due to current pandemic situation on account of COVID-19.

2.	Steps taken or proposed to be taken for improvement	The Company has various strategic plan during the year to improve the margins
3.	Expected increase in productivity and profits in measurable term	The Company is actively pursuing and implementing strategies to improve financial Performance.

On behalf of the Board of Directors
For Fullerton India Home Finance Company Limited

Seema Nirav Sarda

Digitally signed by Seema Nirav Sarda
DN: c=IN, o=Personal, 2.5.4.20=fe7f45763a84902074696f0f3d4c7c005b773284878da1cfe2db0b72314594bf, postalCode=400092, st=Maharashtra, serialNumber=4fb2f51e886211e36688378f5f005f0835c04203730c73644cb9b1273b9f48af, cn=Seema Nirav Sarda
Date: 2021.03.22 22:02:45 +05'30'

Seema Sarda
Company Secretary

Date: 16 March, 2021
Place: Mumbai