



HOUSING DEVELOPMENT AND INFRASTRUCTURE LIMITED

CIN: L70100MH1996PLC101379

Registered Office: 9-01, HDIL Towers, Anant Kanekar Marg, Bandra (E), Mumbai – 400 051
Tel No: +91 22 67889000 Fax: +91 22 67889090 Website: www.hdil.in / Email id: mayur.shah@hdil.in

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014)

Dear Members,

Notice is hereby given, pursuant to Section 110 of the Companies Act, 2013 ("the Act") read with Companies (Management and Administration) Rules, 2014 ("the Rules") that Housing Development And Infrastructure Limited ("the Company") seeking consent of the Members for the Special Business to be transacted through Postal Ballot for the following purposes:

- 1) To approve the borrowing limits of the Company;
- 2) To create Charge on the Assets of the Company;
- 3) To consider fund raising Programme of the Company.

The Resolutions and the relevant Explanatory Statement setting out all material facts and the reasons for the Resolution(s) are appended along with a Postal Ballot form for your consideration.

Members may note that the Company is providing voting through Postal Ballot. Only the Members eligible to vote are entitled to fill in the Postal Ballot form and send it to the Scrutinizer or vote through the electronic voting ("e-voting facility") offered by the Company. Any other recipient of the Notice who has no voting rights should treat this Notice as intimation only.

The Board of Directors has appointed Mr. S. Anand SS Rao (FCS No. 5716 and CP No. 5687), a Practicing Company Secretary, to act as the scrutinizer, for conducting the postal ballot process and e-voting process thereto in accordance with the provisions of the Act and Rules made thereunder in a fair and transparent manner.

If you are voting through Postal Ballot form, you are requested to carefully read the instructions in the Postal Ballot form attached with the Notice and return the same duly completed together with the Assent (FOR) OR Dissent (AGAINST) in the attached self addressed postage prepaid envelope so as to reach the Scrutinizer before 5.00 P.M. on Tuesday, August 12, 2014. Please note that any Postal Ballot form(s) received after the said date will be treated as not having being received.

For Members opting e-voting:

In compliance with Clause 35 of the Listing Agreement and pursuant to Section.108 of the Act read with the Rules, the Company is pleased to provide e-voting facility as an alternate, to all the Members to enable them to cast their votes electronically. The Members are requested to read and follow the instructions on e-voting enumerated in the notes to the Notice.

The Scrutinizer will submit his report after completion of the scrutiny and the results of the voting by complete Postal Ballot procedure will be announced on Saturday, August 16, 2014, at the Registered Office of the Company.

The Resolutions will become effective on and from the date of announcement of result of the Postal Ballot. The results of the Postal Ballot will also be placed on the Company's website viz, www.hdil.in

SPRECIAL RESOLUTIONS TO BE PASSED THROUGH POSTAL BALLOT

1) To approve Borrowing limits of the Company

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

"RESOLVED THAT in supersession of the Resolution passed on July 1, 2008, by way of a postal ballot in this behalf, and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof) of the Company to borrow from time to time such sum or sums of money as they may deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; provided that the total amount up to which money may be borrowed by the Board of Directors/Committee and which may remain outstanding at any given point of time shall not exceed the sum of Rs. 10,000 Crores (Rupees Ten Thousand Crores) on such terms and conditions as to interest, repayment, security or otherwise as they may, in their absolute discretion, deem fit."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized and it shall always be deemed to have been so authorized to finalise and execute with the Lenders/Trustees for the holders of the requisite agreement, documents, deeds, and writings for borrowing and/or for creating the aforesaid mortgage(s) and/or charge(s) and to do all such acts, deeds and things as may be necessary to give effect to the above Resolutions."

2) To create charge on the Assets of the Company

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

"RESOLVED THAT in supersession of the Resolution passed on July 1, 2008, by way of a postal ballot in this behalf, and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 consent of the Company be and is hereby accorded to the Board of the Company to mortgage and/or create charge on all or any one or more of the moveable/immovable properties or such other assets of the Company, wheresoever situated, both present and future, on such terms and conditions and at such time or times and in such form or manner as it may deem fit, to or in favour of National/International Financial Institutions/Banks/Trustees for the Bond holders (in case of issue of Bonds) etc. hereinafter referred to as "the lenders" to secure any Term Loans/Cash Credit Facilities/Debentures/Bonds or the like, obtained/to be obtained from any of the aforesaid lenders together with interest thereon at the respective agreed rate(s), compound interest, additional interest, liquidated damage(s), commitment charge(s), premia on prepayment or on redemption cost, charger(s), expenses and all other monies payable by the Company to such lenders under the respective loan/other agreement(s) entered/to be entered into between the Company and the lender(s) in respect of the said borrowing(s), such security to rank in such manner as may be agreed to between the concerned parties and as may be thought expedient by the Board."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized and it shall always be deemed to have been so authorized to finalise and execute with the Lenders/Trustees for the holders of the requisite agreement, documents, deeds, and writings for borrowing and/or for creating the aforesaid mortgage(s) and/or charge(s) and to do all such acts, deeds and things as may be necessary to give effect to the above Resolutions."

3) To consider fund raising Programme of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 23 and Section 42, Part II of Chapter III and other applicable provisions, if any, of the Companies Act, 2013 (including any amendments, modifications, variation or re-enactment thereof) (the "**Companies Act**"), the Foreign Exchange

Management Act, 1999, as amended (“**FEMA**”), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended, rules, regulations, guidelines, notifications and circulars prescribed by the Securities and Exchange Board of India (“**SEBI**”) including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “**ICDR Regulations**”), the Reserve Bank of India (“**RBI**”) and the Government of India (“**GOI**”) and/or any other competent authorities as may be required and clarifications, if any issued thereon from time to time, the equity listing agreements entered into by the Company with the stock exchanges where the Company’s equity shares (the “**Equity Shares**”) are listed (the “**Listing Agreement**”), and subject to any approval, consent, permission and/or sanction of GOI, SEBI, RBI and the stock exchanges, as may be required, and the enabling provisions of the Memorandum of Association and the Articles of Association of the Company, and subject to all other necessary approvals, permissions, consents and/or sanctions of the concerned statutory and other relevant authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall include any committee thereof constituted/to be constituted by the Board to exercise its powers including powers conferred by this Resolution to the extent permitted by law), consent, authority and approval of the Members is hereby accorded to create, offer, issue and allot in one or more tranches, in the course of domestic and/or international offering(s) in one or more foreign markets, by way of a public issue, private placement or a combination thereof of the Equity Shares or through an issuance of the global depository receipts (“**GDRs**”), the American depository receipts (“**ADRs**”), the foreign currency convertible bonds (“**FCCBs**”), fully convertible debentures/partly convertible debentures, preference shares convertible into Equity Shares, or Shares with differential voting rights, and/or any other financial instruments or securities convertible into Equity Shares or with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form, whether rupee denominated or denominated in foreign currency (hereinafter collectively referred to as the “**Securities**”) or any combination of Securities to any person including but not limited to foreign/resident investors (whether institutions, incorporated bodies, mutual funds and/or individuals or otherwise), foreign institutional investors, promoters, Indian and/or multilateral financial institutions, mutual funds, non-resident Indians, employees of the Company and/or any other categories of investors, whether they be holders of shares of the Company or not (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted), (collectively called the “**Investors**”) at such time or times, at such price or prices, at a discount or premium to the market price or prices in such manner and on such terms and conditions including security, rate of interest, etc., including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors at the time of such issue and allotment considering the prevailing market conditions and other relevant factors wherever necessary as may be decided by the Board in its absolute discretion at the time of issue of Securities in one or more offerings/tranches, such that the total amount including premium raised through any of the aforesaid Securities should not exceed USD 400 million (400 Million United States Dollars) in one or more currencies.”

“**RESOLVED FURTHER THAT** pursuant to the provisions of Section 23 and Section 42, Part II of Chapter III and other applicable provisions, if any, of the Companies Act, Chapter VIII of the ICDR Regulations, the FEMA and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, consent, authority and approval of the Members is hereby accorded to issue, offer and allot Equity Shares, securities convertible into Equity Shares or non convertible debentures along with warrants such that the total amount including premium raised should not exceed USD 400 million (400 Million United States Dollars), as specified in the preceding Resolution, to the Qualified Institutional Buyers (“**QIB**”) (as defined in the ICDR Regulations) pursuant to a qualified institutions placement in accordance with Chapter VIII of the ICDR Regulations.”

“**RESOLVED FURTHER THAT** in case of issue of the Securities by way of the qualified institutions placement to the qualified institutional buyers in accordance with Chapter VIII of the ICDR Regulations, the “relevant date” shall mean the date of the meeting in which the Board or a committee of the Board decides to open the proposed issue of Securities and at such price as applicable in accordance with the provisions of the ICDR Regulations.”

“**RESOLVED FURTHER THAT** in case of a qualified institutions placement, in terms of the provisions of the ICDR Regulations, the Board may, at its absolute discretion, issue Equity Shares (including upon conversion of the Securities) at a discount of not more than five per cent or such other discount as may be permitted under applicable regulations to the ‘floor price’ as determined in terms of the ICDR Regulations.”

“**RESOLVED FURTHER THAT :**

(a) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company;

(b) the relevant date for the purposes of determining the floor price of the Securities would be in accordance with the guidelines prescribed by SEBI, RBI, GOI through its various departments, or any other regulator and the pricing of any Equity Shares issued upon the conversion of the Securities shall be made subject to and in compliance with the applicable adjustments in the applicable rules/guidelines/ statutory provisions; and

(c) the Equity Shares that may be issued by the Company shall rank pari passu with the existing Equity Shares of the Company in all respects.

“**RESOLVED FURTHER THAT** the issue of Equity Shares underlying the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

(a) in the event of the Company making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Securities, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the Equity Share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro rata;

(b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Securities, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders;

(c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted; and

(d) in the event of consolidation and/or division of outstanding shares into smaller number of shares (including by the way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to appoint lead managers, underwriters, guarantors, depositories, custodians, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like (including reimbursement of their actual expenses) and also to enter into and execute all such arrangements, contracts/agreements, memorandum, documents, etc., with such agencies and to seek the listing of such Securities on one or more recognized (national and international) stock exchange(s).”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion, redemption or cancellation of the Securities or as may be necessary in accordance with the terms of the issue/offering and all such Equity Shares shall rank pari passu with the existing Equity Shares in all respects, except the right as to dividend which shall be from the relevant financial year in which they are allotted and/or as provided under the terms of the issue or as contained in the relevant offering documents.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorised to determine the form, terms and timing of the issue(s)/offering(s), including the type of Security(ies) to be issued and allotted, the class of investors to whom the Securities are to be offered/issued and allotted, number of Securities to be issued and allotted in each tranche, issue price, face value, number of Equity Shares or other securities upon conversion or redemption or cancellation of Securities, premium or discount amount on issue/conversion of Securities/exercise of warrants/redemption of Securities/rate of interest/period of conversion or redemption, listings on one or more stock exchanges in India and/or abroad and fixing of record date or book closure and related or incidental matters as the Board in its absolute discretion deems fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues in India and/or abroad, to do all acts, deeds,

matters and things and to settle any questions or difficulties that may arise in regard to the issue(s)/offering(s), allotment and conversion of any of the aforesaid Securities, utilisation of issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they 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 delegate (to the extent permitted by law) all or any of the powers herein conferred to any committee of directors or any executive director or directors or any other officer or officers of the Company to give effect to the aforesaid Resolutions."

By order of the Board of Directors
for **Housing Development and Infrastructure Limited**

June 21, 2014
Mumbai

Darshan D. Majmudar
Chief Financial Officer & Company Secretary

NOTES :

- 1) An Explanatory Statement as required under Section 102 read with Section 110 of the Companies Act, 2013 is given hereunder;
- 2) The Notice is being sent to all the Members by post/ courier (and electronically by email to those Members who have registered their email IDs with the company), whose name appear in the register of Members / Record of Depositories as on June 20, 2014 and these will be considered for voting;
- 3) The dispatch of the Postal Ballot Notices will be completed by July 12, 2014. The voting through Postal Ballot/ e-voting will end on Tuesday, August 12, 2014 at 5:00 p.m.;
- 4) A member who has not received the Postal Ballot Form may request the company for duplicate form. The Postal Ballot Form/duplicate Postal Ballot Form duly completed in all respect should reach the Scrutinizer before 5:00 P.M. on Tuesday, August 12, 2014. The Postal Ballot received after the said date will be treated as not having been received;
- 5) Resolutions passed by the Members through Postal Ballots are deemed to have been passed effectively at the general meeting of the Members. The special Resolution shall be declared passed, if the number of votes cast in favour of the Resolution is not less than three times the number of votes cast against the Resolution;
- 6) In Compliance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the companies (Management and Administration) Rules, 2014, the company has also extended e-voting facility as an alternate, for its Member to enable them to cast their votes electronically instead of dispatching Postal Ballot Form/s;
- 7) The Board of Directors of the Company has appointed Mr. S. Anand SS Rao (FCS No. 5716 and CP No. 5687), Practicing Company Secretary, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner and to receive and scrutinize the completed ballot paper from the Members. After completion of his scrutiny, Scrutinizer will submit his report to the Chairman and in his absence to the Company Secretary of the Company;
- 8) The Resolutions will be taken as passed effectively on the date of announcement of the result by the Chairman and in his absence by the Company Secretary of the Company, if the result of the Postal Ballots indicates that the requisite majority of the Shareholders has assented to the Resolution. The result of the Postal Ballot will be declared on Saturday, August 16, 2014 at the Registered Office of the Company. After declaration, the result of the Postal Ballot shall also be posted on the Company's website www.hdil.in besides communicating the same to the BSE Limited and National Stock Exchange Limited where the shares of the company are listed;
- 9) A copy of each of the document referred to in the accompanying Explanatory Statement is open for inspection at the Registered Office of the Company between 10 A.M. to 12.00 Noon on any working day excluding Saturday and Sunday till the last date of receiving Postal Ballots by Scrutinizer i.e. Tuesday, August 12, 2014;
- 10) The Postal Ballot form and the postage prepaid self-addressed business reply envelope are enclosed for use of the Members. Members are requested to carefully read the instruction printed on the backside of the Postal Ballot Form before exercising their Vote;
- 11) The Company is extending its offer of e-voting facility as an alternate, for its Members to enable them to cast their vote electronically instead of dispatching Postal Ballot. The Members have option to vote either through e-voting or through the physical Postal Ballot form. If a member opts for e-voting, then he/she should not vote by Postal Ballot also and vice-versa. However, in case Members cast their vote, via physical Postal Ballot and e-voting, then voting through physical Postal Ballot shall prevail and Voting done by e-voting shall be treated as invalid;

PROCEDURE AND INSTRUCTIONS FOR E-VOTING

The procedure and instructions for e-voting are as follows:

- i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com';
- ii) Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your folio/DP Client ID will be your User-ID.;

| User – ID | Password | Captcha |
|---|---|---|
| a) For Members holding shares in Demat Form:- For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- • Event no. followed by Folio Number registered with the company | Your Unique password is printed on the Postal Ballot Form / via email forwarded through the electronic notice | Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons. |

- iii) Please contact Karvy Computershare Private Limited on its toll free No. 1-800-34-54-001 for any further clarifications;
- iv) Members can cast their vote online from Saturday, July 12, 2014 @ 9.00 AM to Tuesday, August 12, 2014 @ 5.00 PM. E-voting module will be disabled after 5.00 P.M., on August 12, 2014 for E-voting by shareholders;
- v) After entering these details appropriately, click on "LOGIN";
- vi) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile #, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential;
- vii) You need to login again with the new credentials;
- viii) On successful login, system will prompt to select the 'Event' i.e., 'Housing Development and Infrastructure Limited';
- ix) If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and casted your vote earlier for any company, then your exiting login id and password are to be used;
- x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN';
- xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote;
- xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote;
- xiii) Corporate/Institutional Members (corporate /FIs/Flls/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to anandssrao@gmail.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Housing Development and Infrastructure Limited _ Event no.;"

EXPLANATORY STATEMENT

The following explanatory statement, as required under Section 102 of the Companies Act, 2013 ("the Act") sets out the material facts relating to the business mentioned at item Nos. 1, 2 and 3 in the accompanying notice dated June 21, 2014.

ITEM NO. 1**To approve Borrowing limits of the Company and to create charge on the Assets of the Company**

The Members by way of a postal ballot, had passed a Resolution dated July 1, 2008 in pursuance of the provisions of Section 293(1)(d) of the Companies Act, 1956, approved of:

'borrowing monies on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital of the Company and its free reserves, subject to the total outstanding amount so borrowed not exceeding a sum of Rs. 10,000/- crore (Rupees Ten Thousand Crores) at any point of time.;

Under Section 180 of the Act, the above powers of the Board are required to be exercised only with the consent of the company by a Special Resolution.

The Ministry of Corporate Affairs ("MCA") has vide its General Circular No 4/2014 dated March 25, 2014 clarified that the Ordinary Resolutions passed under Sections 293(1)(d) of the Companies Act, 1956 would be sufficient compliance of Section 180 of the Act until September 11, 2014.

The approval of the Members for the said borrowings and creation of a mortgage or charge for the said borrowing is therefore now being sought, by way of a Special Resolutions, pursuant to Section 180(1)(c) of the Act.

The Directors commend the Resolutions at Item No. 1 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolutions at Item No. 1.

ITEM NO. 2**To create charge on the Assets of the Company**

The Members by way of a postal ballot, had passed a Resolution dated July 1, 2008 in pursuance of the provisions of Section 293(1)(a) of the Companies Act, 1956, approved of:

'creation of a mortgage or charge for the said borrowings, as security by way of mortgage / hypothecation on the Company's assets in favour of lending agencies and trustees for the amounts borrowed i.e. upto Rs. 10,000/- crore (Rupees Ten Thousand Crores), including interest, charges, etc. payable thereon, as the documents for the said purpose could contain the power to take over the management of the Company, in certain events.'

Under Section 180 of the Act, the above powers of the Board are required to be exercised only with the consent of the company by a Special Resolution.

The Ministry of Corporate Affairs ("MCA") has vide its General Circular No 4/2014 dated March 25, 2014 clarified that the Ordinary Resolutions passed under Sections 293(1)(a) of the Companies Act, 1956 would be sufficient compliance of Section 180 of the Act until September 11, 2014.

The approval of the Members for the said borrowings and creation of a mortgage or charge for the said borrowing is therefore now being sought, by way of a Special Resolutions, pursuant to Section 180(1)(a) of the Act.

The Directors commend the Resolutions at Item No. 2 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolutions at Item No. 2.

ITEM NO. 3**To consider fund raising Programme of the Company**

The Company, in order to reduce the overall debt of the Company and to meet with the long term capital requirements of the Company and to increase the ability to compete with the peer groups in domestic markets, needs to strengthen its financial position and net worth by augmenting long term resources, from time to time.

Pursuant to the above, the Board may, issue and allot in one or more tranches, in the course of domestic and/or international offering(s) in one or more foreign markets, by way of a public issue, private placement or a combination thereof of the Equity Shares or through an issuance of the global depository receipts ("GDRs"), the American depository receipts ("ADRs"), the foreign currency convertible bonds ("FCCBs"), fully convertible debentures/partly convertible debentures, preference shares convertible into Equity Shares, and/or any other financial instruments or securities convertible into Equity Shares or with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form, whether rupee denominated or denominated in foreign currency (hereinafter collectively referred to as the "Securities") or any combination of Securities to any person including but not limited to foreign/resident investors (whether institutions, incorporated bodies, mutual funds and/or individuals or otherwise), foreign institutional investors, promoters, Indian and/or multilateral financial institutions, mutual funds, non-resident Indians, employees of the Company and/or any other categories of investors.

The "relevant date" shall mean the date of the meeting in which the Board or a committee of the Board decides to open the proposed issue of Securities and at such price as applicable in accordance with the provisions of the ICDR Regulations

For reasons aforesaid, an enabling Resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalise the terms of the issue. The securities issued pursuant to the offering would be pari passu with the existing Equity Shares in all respects, except the right as to dividend which shall be from the relevant financial year in which they are allotted and/or as provided under the terms of the issue or as contained in the relevant offering documents

The proposed issue of QIP Securities as above may be made in one or more tranches such that the aggregate amount raised by issue of QIP Securities shall not exceed USD 400 million (400 Million United States Dollars)

Section 62 of the Companies Act, 2013 and Listing Agreement entered with the Stock Exchanges, provide, inter alia, that where it is proposed to increase the subscribed share capital of the Company by allotment of further shares, such further shares shall be offered to the persons, who on the date of the offer are holders of the equity shares of the Company, in proportion to the capital paid-up on those shares as of that date unless the Members decide otherwise. The Special Resolution seeks the consent and authorisation of the Members to the Board of Directors to make the proposed issue of Securities, in consultation with the Lead Managers, Legal Advisors and other intermediaries and in the event it is decided to issue Securities convertible into equity shares, to issue to the holders of such convertible Securities in such manner and such number of equity shares on conversion as may be required to be issued in accordance with the terms of the issue, keeping in view the then prevailing market conditions and in accordance with the applicable provisions of rules, regulations or guidelines.

The Directors commend the Resolutions at Item No. 3 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolutions at Item No. 3.

By order of the Board of Directors
for Housing Development and Infrastructure Limited

Darshan D. Majmudar
Chief Financial Officer & Company Secretary

June 21, 2014
Mumbai