

BAJAJ HOUSING FINANCE LIMITED

NOTICE

Notice is hereby given that an Extra-Ordinary General Meeting of the shareholders of Bajaj Housing Finance Limited will be held at a shorter notice on Tuesday, 16 November 2021 at 12.45 p.m. at the Corporate Office of the Company at 6th floor, Bajaj Finserv Corporate office, off Pune – Ahmednagar road, Viman Nagar, Pune 411014 to transact the following:

SPECIAL BUSINESS:

Item No. 1

Appointment of M/s. Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W) as a Joint Statutory Auditor and to fix their remuneration:

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

“**RESOLVED THAT** in supersession to the ordinary resolution passed by the Members at the 9th Annual General Meeting of the Company held on 11 July 2017 and pursuant to Circular no. RBI/2021-22/25 - Ref.No.DoS.CO.ARG/ SEC.01/ 08.91.001/2021-22 dated 27 April 2021 [(Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs)] issued by the Reserve Bank of India (‘RBI Guidelines’) and pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), and the relevant rules made thereunder; (including any amendment, modification, variation or re-enactment thereof), on the basis of recommendation of the Audit Committee and the Board of Directors of the Company, M/s. Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Statutory Auditors in terms of Section 141 of the Act and applicable rules and the RBI Guidelines, be and is hereby appointed as one of the Joint Statutory Auditors of the Company, to hold office from the conclusion of this Extraordinary General Meeting till conclusion of the 14th Annual General Meeting of the Company to conduct audit of accounts of the Company for the financial year ending 31 March 2022, at a remuneration mentioned in the statement annexed herewith pursuant to Section 102 of the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company (hereinafter referred to as Board, which term shall be deemed to include any Committee constituted or to be constituted by the Board or any person(s) authorized by the Board in this regard) be and are hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to implementation of the aforesaid resolution including but not limited to determination of roles and responsibilities/scope of work of the Joint Statutory Auditors, negotiating, finalizing, amending, signing, delivering, executing, the terms of appointment including any contracts or documents in this regard, without being required to seek any further consent or approval of the Members of the Company.”

Item No. 2

Appointment of M/s. G. D. Apte & Co., Chartered Accountants, (Firm Registration No. 100515W) as a Joint Statutory Auditor and to fix their remuneration:

To consider, and if thought fit, to pass, the following resolution, with or without modifications, as an Ordinary



Resolution:

“**RESOLVED THAT** in supersession to the ordinary resolution passed by the Members at the 9th Annual General Meeting of the Company held on 11 July 2017 and pursuant to Circular no. RBI/2021-22/25 - Ref.No.DoS.CO.ARG/ SEC.01/ 08.91.001/2021-22 dated 27 April 2021 [(Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs)] issued by the Reserve Bank of India (‘RBI Guidelines’) and pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), and the relevant rules made thereunder; (including any amendment, modification, variation or re-enactment thereof), on the basis of recommendation of the Audit Committee and the Board of Directors of the Company, M/s. G. D. Apte & Co., Chartered Accountants, (Firm Registration No. 100515W) who have offered themselves for appointment and have confirmed their eligibility to be appointed as Statutory Auditors in terms of Section 141 of the Act and applicable rules and the RBI Guidelines, be and is hereby appointed as one of the Joint Statutory Auditors of the Company, to hold office from the conclusion of this Extraordinary General Meeting till conclusion of the 14th Annual General Meeting of the Company to conduct audit of accounts of the Company for the financial year ending 31 March 2022, at a remuneration mentioned in the statement annexed herewith pursuant to Section 102 of the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company (hereinafter referred to as Board, which term shall be deemed to include any Committee constituted or to be constituted by the Board or any person(s) authorized by the Board in this regard) be and are hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to implementation of the aforesaid resolution including but not limited to determination of roles and responsibilities/scope of work of the Joint Statutory Auditors, negotiating, finalizing, amending, signing, delivering, executing, the terms of appointment including any contracts or documents in this regard, without being required to seek any further consent or approval of the Members of the Company.”

By order of the Board
For Bajaj Housing Finance Limited





R Vijay
Company Secretary

Place: Pune
Date: 25 October 2021

NOTES:

- 1) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote at the meeting, instead of himself/herself and the proxy need not be a member. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. Provided that a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member. The instrument appointing proxy must be deposited at the registered office of the company not less than 48 hours before the time of commencement of the meeting.
- 2) During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days' written notice is given to the Company.
- 3) The statement pursuant to section 102(1) of the Companies Act, 2013 for the above items of business is annexed to this notice.
- 4) Corporate members are requested to send in advance duly certified copy of board resolution/power of attorney authorizing their representative to attend the Extraordinary General Meeting.
- 5) Members/ proxies are requested to bring the attendance slip/proxy form duly filled and signed in for attending the meeting. Proxies are requested to bring their ID proof at the meeting for the purpose of identification.



ANNEXURE TO THE NOTICE

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 1 and 2- Appointment of M/s. Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W) and M/s. G. D. Apte & Co., Chartered Accountants, (Firm Registration No. 100515W) as the Joint Statutory Auditors and to fix their remuneration:

The current auditors S R B C & Co., LLP (the "Outgoing Auditors"), Chartered Accountants were appointed by the members for a term of 5 consecutive years at 9th Annual General Meeting held on 11 July 2017 and they were to hold office till the conclusion of 14th Annual General Meeting.

Reserve Bank of India, vide its circular dated 27 April 2021, issued Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) (the "Guidelines"/"Circular"), mandated NBFCs (including HFCs) with an asset size of Rs. 15,000 crore and above to appoint minimum two audit firms as joint auditors for a continuous period of three years. Further, the Guidelines also specifies that an auditor who has completed a period of 3 years (counted as one tenure) as on the date of the Circular shall not be eligible for re-appointment in the same Entity for six years (two tenures) after completion of one tenure of 3 years. Subsequently, the RBI had also released Frequently Asked Questions (FAQs) dated 11 June 2021, inter alia, clarifying that the existing statutory auditors who have completed 3 years with an entity would not be able to continue as auditors with effect from second half of the financial year 2021-22, even though they may not have completed their present tenure as approved by the Members of the said entity.

Consequently, in terms of the RBI Guidelines and related FAQs, M/s. S R B C & Co., LLP are not be eligible to continue as the Statutory Auditors of the Company with effect from the second half of the current financial year and hence vide their letter dated 25 October 2021, they have tendered their resignation which would come into effect from 13 November 2021 i.e., post submission of limited review report for the quarter and half-year ended 30 September 2021 and after furnishing all requisite certifications for the aforesaid period.

The Audit Committee and Board of the Company noted that the Outgoing Auditors have not raised any concern or issue and there is no reason other than those mentioned in their above said letter. The copy of the said letter which has been filed with stock exchanges is available on the Company's website at <https://www.bajajhousingfinance.in/stock-exchange-intimation>

In order to comply with the requirements of the Guidelines, the Board of Directors, based on the recommendation of the Audit Committee, at their meeting held on 25 October 2021, recommended for approval of members appointment of M/s. Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W) and M/s. G. D. Apte & Co., Chartered Accountants, (Firm Registration No. 100515W) as Joint Statutory Auditors for a period of 3 years to conduct audit of the financial statements of the Company for the year ended 31 March 2022, 31 March 2023 and 31 March 2024, as under:

First Term – From the conclusion of this Extraordinary General Meeting till the conclusion of the 14th Annual General Meeting, to conduct audit of the accounts of the Company for the financial year ending 31 March 2022.

Second Term – From the conclusion of the 14th Annual General Meeting till the conclusion of the 15th Annual General Meeting to conduct audit of the accounts of the Company for the financial year ending 31 March 2023.

Third Term – From the conclusion of the 15th Annual General Meeting till the conclusion of the 16th Annual General Meeting to conduct audit of the accounts of the Company for the financial year ending 31 March 2024.

Pursuant to the provisions of Section 139(8)(i) of the Act, the Joint Statutory Auditors proposed to be appointed will hold the office till conclusion of the 14th Annual General Meeting of the Company. In line with the provisions of the said section, the Board has initially proposed the ordinary resolutions for the appointment of the Joint Statutory Auditors to be appointed for the First term ending on conclusion of the 14th Annual General Meeting as set out in this Notice. Subsequently, in the Notice convening the 14th Annual General Meeting, the



Board of Directors will recommend to the Members passing of the ordinary resolution for appointment of the proposed Joint Statutory Auditors for the Second and Third term ending at 15th and 16th Annual General Meeting, respectively. The proposed Joint Statutory Auditors will effectively hold office for three consecutive terms, ending on conclusion of the 16th Annual General Meeting of the Company and for the three consecutive financial years ending 31 March 2024 in compliance with the Guidelines.

Both the Joint Auditors have confirmed that their appointment, if made, will be within the limit specified under the Act and RBI Guidelines. They have also confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the Section 141 of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and the RBI Guidelines.

As per RBI Guidelines, the Board of Directors of Company, on the recommendation of Audit Committee, have approved a Policy for Appointment of Statutory Auditors which can be accessed at <https://www.bajajhousingfinance.in/policies-and-documents>

Other information concerning the appointment:

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| Proposed audit fee payable to auditors | <p>The fees proposed to be paid to M/s Khandelwal Jain & Co, and M/s. G D Apte & Co., towards statutory audit and limited review for the financial year 2021-22 shall be Rs. 19.50 each for both auditors.</p> <p>For FY2020-21, the Outgoing Auditors were paid fees of Rs. 1.75 Lakh (excluding taxes) for statutory audit and limited review. The said fees shall exclude certification fees, applicable taxes, reimbursements and other outlays.</p> |
| Terms of appointment | <p>Term of Appointment of M/s. Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W) and M/s. G. D. Apte & Co., Chartered Accountants, (Firm Registration No. 100515W), the Joint Statutory Auditors shall be for a period of three consecutive Financial Years ending 31 March 2022, 31 March 2023 and 31 March 2024.</p> <p>M/s. Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W) and M/s. G. D. Apte & Co., Chartered Accountants, (Firm Registration No. 100515W), the Joint Statutory Auditors of the Company, shall hold office commencing from the conclusion of Extraordinary General Meeting upto the conclusion of the 14th Annual General Meeting to be held in the year 2022.</p> <p>At the 14th Annual General Meeting to be held in the year 2022, the Joint Statutory Auditors would be further appointed for a period of two consecutive years to hold office from the conclusion of the 14th Annual General Meeting till the conclusion of the 16th Annual General Meeting of the Company to be held in the year 2024.</p> |
| Material change in fee payable | <p>The investment by the audit firm is higher during the initial years in terms of manpower, hours invested, etc, as they gather understanding of the company. Since the proposed new auditors, as per the RBI guidelines, can be appointed only for a term of 3 years, there would be a greater deployment of resources and skills leading to higher cost for conduct of audit by an audit firm. Further, the proposed aggregate fee is also higher on account of appointment of two joint auditors as against a sole auditor.</p> |



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| <p>Basis of recommendation and auditor credentials</p> | <p>The Audit Committee and the Board of Directors of the Company having assessed independence of auditors and based on the credentials of the firm and partners, asset size of the Company, eligibility criteria prescribed under the Companies Act, 2013 and RBI Guidelines and the Policy for Appointment of Statutory Auditors of the Company, recommends the appointment of M/s Khandelwal Jain & Co. and M/s. G. D. Apte & Co., as Joint Statutory Auditors of the Company.</p> <p>Profile:</p> <p>M/s. Khandelwal Jain & Co.</p> <p>The firm is a Partnership firm, established in 1967 by Mr. I.C. Jain & the late Mr. C. V. Khandelwal. Currently, the firm is operating from three locations in the country. The firm has 14 partners and more than 120 professionals / semi-professionals. KJCO is registered with the Public Company Accounting Oversight Board (PCAOB) in the USA since 2008. Empanelled with Securities Exchange Board of India, Reserve Bank of India, C&AG, Director General of Hydrocarbons etc. Firm was Member Firm of KSI (1999 – 2004) and Moore Stephens International (2006 – 2015).</p> <p>M/s. G D Apte & Co</p> <p>G. D. Apte & Co. was established in the year 1930 and was converted into a partnership firm in 1957. The firm has a strength of 13 partners, 60 + employee Chartered Accountants and total strength of 175 + employees. The firm has handled assignments of Statutory Audits of equity and debt listed non-banking finance companies, public and private sector banks, cooperative banks, insurance companies, etc. The firm has also carried out statutory audits of public sector undertakings including Maharatna PSUs, and various private sector companies in manufacturing and service sectors. The firm has also handled several assignments of public issue of shares and public/ private issues of debentures in the capacity of statutory auditors. The significant functional domains of the firm also include Internal Audits, Forensic Audits, Advisory in Direct and Indirect Tax, Due Diligence for Mergers and Acquisitions etc.</p> |
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None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolutions, except to the extent of their shareholding, if any, in the Company. The Board recommends the resolutions set forth in Item Nos. 1 and 2 of the notice for approval of the members.



By order of the Board
For Bajaj Housing Finance Limited


R Vijay
Company Secretary

Place: Pune
Date: 25 October 2021

PROXY FORM

Form No. MGT-11

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

CIN : U65910PN2008PLC132228
Name of the Company : BAJAJ HOUSING FINANCE LIMITED
Registered office : Bajaj Auto Limited Complex, Mumbai-Pune Road, Akurdi, Pune 411035

Name of the member(s) :

Registered address :

E-mail ID :

Folio No/Client ID/DP ID :

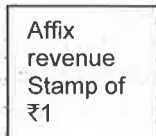
I/We, being the member(s) of _____ shares of the above named company, hereby appoint:

- (1) Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him
- (2) Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him
- (3) Name: _____ Address: _____
E-mail Id: _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extraordinary General Meeting of the Company, to be held at a shorter notice on Tuesday, 16 November 2021 at 12.45 p.m. at the Corporate Office of the Company at 6th floor, Bajaj Finserv Corporate office, off Pune – Ahmednagar road, Viman Nagar, Pune 411014 and at any adjournment thereof in respect of such resolutions as are indicated below:

| | Special Business |
|----|---|
| 1. | Appointment of M/s. Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W) as a Joint Statutory Auditor and to fix their remuneration |
| 2. | Appointment of M/s. G. D. Apte & Co., Chartered Accountants, (Firm Registration No. 100515W) as a Joint Statutory Auditor and to fix their remuneration |

Signed this ____ day of _____ 2021



Signature of member _____

Signature of Proxy holder(s) _____

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Corporate Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Notwithstanding the above the proxies can vote on such other items which may be tabled at the meeting by the members present.

ATTENDANCE SLIP

Folio No./DP ID/Client ID:

Name & Address:

Name(s) of joint holder(s),if any :

No. of shares held :

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/We hereby record my/our presence at the Extraordinary General Meeting of the Company held at a shorter notice on Tuesday, 16 November 2021 at 12.45 p.m. at the Corporate Office of the Company at 6th floor, Bajaj Finserv Corporate office, off Pune – Ahmednagar road, Viman Nagar, Pune 411014.

Full name of proxy (in case of proxy)

Signature of first holder/proxy

Signature of joint holder(s)

Notes:

1. Please fill and sign this attendance slip and hand it over at the venue of the meeting.
2. Only members of the Company and/or their proxy will be allowed to attend the meeting.