



ENABLING EXCELLENCE
उत्कृष्टता को सक्षम करना

CIN : U74999KA2017NPL103474
No.14, 6th Floor, Naveen Complex,
M.G.Road, Bangalore-560001.

नंबर 14, 6, वीं मंजिल, नवीन कॉम्प्लेक्स,
एम जी रोड, बेंगलुरु-560001.

080 25129471, 080 25587405

info@hefa.co.in

NOTICE is hereby given that the **FIRST ANNUAL GENERAL MEETING** of the members of Higher Education Financing Agency will be held on **Saturday, 17th day of November, 2018 at 11:00 A.M.** at the **Canara Bank, Head Office, 112, J C Road, Bengaluru, Karnataka 560002** to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2018 and reports of the Board of Directors & Auditors thereon.
2. To authorise Board of Directors for fixing the remuneration of the Auditors of the Company for the Financial Year 2018-19.

SPECIAL BUSINESS

3. REGULARISATION OF FIRST DIRECTORS OF THE COMPANY, BY APPOINTING THEM AS DIRECTORS OF THE COMPANY:

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

“RESOLVED THAT in terms of the Article 128 of the Articles of Association of the Company, the following persons are named as First Directors of the company:

- 1) Mr. Kewal Kumar Sharma, Secretary Higher Education and who was replaced by Mr. Subrahmanyam Reddi, Secretary Higher Education w.e.f. 01.03.2018,
- 2) Mrs. P V Bharathi, Executive Director, Canara Bank,
- 3) Mr. Govardhan Umajirao, Managing Director & CEO of the Company;

who hold office until the close of the First Annual General Meeting; be and are hereby duly appointed as Directors of the Company.”

4. REGULARISATION OF ADDITIONAL DIRECTOR, PROF. ASHOK MISRA, BY APPOINTING HIM AS DIRECTOR OF THE COMPANY

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



5. REGULARISATION OF ADDITIONAL DIRECTOR, DR. RISHIKESHA THIRUVENKATA KRISHNAN, BY APPOINTING HIM AS DIRECTOR OF THE COMPANY.

“RESOLVED THAT pursuant to the provisions of Sections 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Article 128 of the Articles of Association of the Company; Dr. Rishikesh Thiruvankata Krishnan (DIN: 00064067), who was appointed as an Additional Director by the Board of Directors of the Company w.e.f. 12.06.2017 and who holds office till the first Annual General Meeting of the company, be and is hereby appointed as Director of the Company.”

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

“RESOLVED THAT pursuant to the provisions of Sections 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Article 128 of the Articles of Association of the Company; Prof. Virandar Singh Chauhan (DIN: 00454113), who was appointed as an Additional Director by the Board of Directors of the Company w.e.f. 12.06.2017 and who holds office till the first Annual General Meeting of the company, be and is hereby appointed as Director of the Company.”

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

“RESOLVED THAT pursuant to the provisions of Sections 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Article 128 of the Articles of Association of the Company; Prof. Bhaskar Ramamurthi (DIN: 01914155), who was appointed as an Additional Director by the Board of Directors of the Company w.e.f. 12.06.2017 and who holds office till the



first Annual General Meeting of the company, be and is hereby appointed as Director of the Company.”

8. TO BORROW MONIES EXCEEDING THE AGGREGATE OF COMPANY'S PAID-UP SHARE CAPITAL, FREE RESERVES AND SECURITIES PREMIUM TO AN EXTENT OF RS. 10,000 CRORE.

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

“RESOLVED THAT consent of the members be and is hereby accorded to the board of directors, under section 180(1)(c) of the Companies Act, 2013 to borrow upto the total extent of Rs. 10,000 crores (Rupees Ten Thousand crores only) exceeding its paid-up capital, free reserves and securities premium from time to time notwithstanding that the money or moneys to be borrowed, together with the moneys already borrowed by the company (apart from temporary loans obtained from the company's bankers in the ordinary course of business.

RESOLVED FURTHER that Managing Director of the Company be and is hereby authorised to file necessary forms with the registrar of companies and to do or cause to do such other acts, deeds things and execute all such documents, undertaking as may be considered necessary in connection with or incidental to the above.”

9. INCREASE IN THE AUTHORISED SHARE CAPITAL FROM EXISTING RUPEES TWO THOUSAND CRORE TO PROPOSED RUPEES TEN THOUSAND CRORE AND ALTERATION IN THE CAPITAL CLAUSE OF MOA

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

“RESOLVED THAT pursuant to the relevant provisions of section 13, 61 & 64 and other applicable provisions, if any, of the Companies Act, 2013, and corresponding rules, Articles of Association of the Company and also prior approval of ROC; the Authorized Share Capital of the Company be and is hereby increased from Rs. 2000 crore (Rupees Two Thousand Crore) divided into 200 crore (Two Hundred crore) equity share of Rs. 10 (Ten), each to Rs. 10,000 crore (Rupees Ten Thousand Crore) divided into 1000 crore (One Thousand crore) equity shares of Rs 10 (Ten), each, by creation of additional 800 crore (Eight Hundred crore) equity shares of Rs. 10 (Ten) each ranking pari passu in all respect with the existing equity shares of the company.

RESOLVED FURTHER THAT the Clause VIII of the Memorandum of Association (MOA) of the company be and is hereby altered as under:

Existing:

“Clause VIII. The Authorised Share Capital of the Company is Rs. 20,00,00,00,000/- (Rupees Two Thousand Crores only) divided into



200,00,00,000 (Two Hundred Crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each."

Is Replaced By

"Clause VIII. The Authorised Share Capital of the company is Rs. 100,00,00,00,000/- (Rupees Ten Thousand Crores Only) divided into 10,00,00,00,000 (One Thousand Crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each."

RESOLVED FURTHER THAT the Managing Director of the Company, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid."

10. ALTERATION OF ARTICLES OF ASSOCIATION (AOA) OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, Article 82 & 149 of the Articles of Association (AOA) of the Company be and are hereby altered as under:

a) Article 82

Existing:

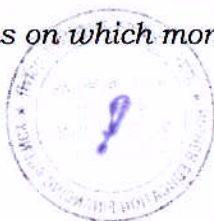
"82. Conditions on which money may be borrowed

Subject to the provisions of sections 73, 179 and 180 of the Act, the Board may, from time to time, at its discretion by a resolution passed at a meeting of the Board, accept deposits from members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the company's bankers in the ordinary course of business) exceed the aggregate of the Paid-Up Share Capital of the Company and its free reserves not being reserves set apart for any specific purpose), the consent of the members by way of Special Resolution shall be required."

Is Replaced By

"82. Conditions on which money may be borrowed



Subject to the provisions of sections 73, 179 and 180 of the Act, the Board may, from time to time, at its discretion by a resolution passed at a meeting of the Board, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company, including where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the company's bankers in the ordinary course of business) exceed the aggregate of the paid-up share capital of the company and its free reserves not being reserves set apart for any specific purpose."

b) Article 149:

Existing (First Paragraph):

"149. Notice of Meetings

At least 21 (twenty one) working days clear written notice shall be given for any meeting of the Board, whether in India or outside India, at the addresses provided herein below. A meeting of the Board may be called by shorter notice with the unanimous consent of all the directors and such consent shall not be withheld unreasonably and shall be given within 7 (seven) working days from the date on which the request for a shorter notice is sent."

Is Replaced By

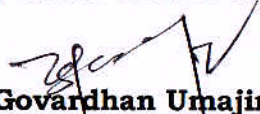
"149. Notice of Meetings

Not less than 7(seven) days written notice shall be given to every director for any meeting of the board, whether in India or outside India, at the addresses registered with the Company. A meeting of the board may be called at shorter notice with the unanimous consent of all the directors and such consent shall not be withheld unreasonably by any director on the receipt of request for a shorter notice."

RESOLVED FURTHER THAT the Managing Director of the Company, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid."

11. Any Other matter with the permission of Chairman.

By Order of the Board


Govardhan Umajirao
Managing Director
DIN: 07544347


Date: 29.10.2018
Place: Bangalore



NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT ONE OR MORE PROXY / PROXIES TO ATTEND AND VOTE IN HER/HER PLACE. THE PROXY SHALL BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY FILLED IN SHOULD REACH THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME OF THE MEETING.**
2. Members/Proxies/Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers are requested to write their Folio Number in the attendance slip for attending the Meeting.
3. The 'Attendance Slip' and 'Proxy Form' is hereby attached and forms part of the notice.
4. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at the Meeting is annexed.



ANNEXURE TO THE NOTICE

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

Item No. 3:

The following persons are named as the First Directors of the Company in the Article 128 of the Articles of Association (AOA) of the Company and who will hold office until the close of First Annual General Meeting:

- i. Mr. Kewal Kumar Sharma, Secretary Higher Education and who was replaced by Mr. Subrahmanyam Reddi, Secretary Higher Education w.e.f. 01.03.2018,
- ii. Mrs. P V Bharathi, Executive Director, Canara Bank,
- iii. Mr. Govardhan Umajirao, Managing Director & CEO of the Company;

The Board is of the view that Company shall duly appoint them as Directors of the Company and hence it recommends the said Resolution No. 3 for approval by the members of the Company.

None of the Directors and Key Management Personnel of the Company (or their relatives), except above named Directors, is in any way concerned or interested, in the said resolution. The Board recommends the said resolution to be passed as an ordinary resolution.

Item No. 4

Prof. Ashok Misra, was appointed as an Additional Director of the Company with effect from 12.06.2017, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office till the first Annual General Meeting of the company

The Board is of the view that the appointment of Prof. Ashok Misra on the Company's Board as Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. 4 for approval by the members of the Company.

None of the Directors of the Company and Key Management Personnel of the Company (or their relatives), except Prof. Ashok Misra himself, is in any way concerned or interested, in the said resolution. The Board recommends the said resolution to be passed as an ordinary resolution.

Item No. 5

Dr. Rishikesha Thiruvengkata Krishnan, was appointed as an Additional Director of the Company with effect from 12.06.2017, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office till the first Annual General Meeting of the company



The Board is of the view that the appointment of Dr. Rishikesh Thiruvankata Krishnan on the Company's Board as Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. 5 for approval by the members of the Company.

None of the Directors of the Company and Key Management Personnel of the Company (or their relatives) except Dr. Rishikesh Thiruvankata Krishnan himself, is in any way concerned or interested, in the said resolution. The Board recommends the said resolution to be passed as an ordinary resolution.

Item No. 6

Prof. Virandar Singh Chauhan, was appointed as an Additional Director of the Company with effect from 12.06.2017, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office till the first Annual General Meeting of the company

The Board is of the view that the appointment of Prof. Virandar Singh Chauhan on the Company's Board as Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. 6 for approval by the members of the Company.

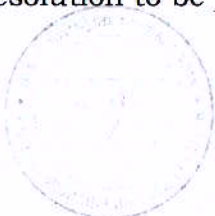
None of the Directors of the Company and Key Management Personnel of the Company (or their relatives), except Prof. Virandar Singh Chauhan himself, is in any way concerned or interested, in the said resolution. The Board recommends the said resolution to be passed as an ordinary resolution.

Item No. 7

Prof. Bhaskar Ramamurthi, was appointed as an Additional Director of the Company with effect from 12.06.2017, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office till the first Annual General Meeting of the company

The Board is of the view that the appointment of Prof. Bhaskar Ramamurthi on the Company's Board as Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. 7 for approval by the members of the Company.

None of the Directors of the Company and Key Management Personnel of the Company (or their relatives is), except Prof. Bhaskar Ramamurthi himself, is in any way concerned or interested, in the said resolution. The Board recommends the said resolution to be passed as an ordinary resolution.



Item No. 8

In the Financial year 2017-18, Company has already sanctioned term loans for an amount of Rs. 2014.90 Crores to the 7 borrower institutions and 15 new proposals amounting to Rs. 9,818.39 are under process. Also as per RISE 2022, an amount of Rs. 22,200 crore is budgeted to be disbursed in the Financial Year (FY) 2018-19 by way of term loans for creation of infrastructure in the CFIS *[for this Cabinet approval awaited]*. Considering the Financial requirements of the Company, we may require resources to the extent not less than Rs. 10,000 crores in the FY 2018-19 which needs to be borrowed by issuance of Bonds/NCDs/Bank/FI borrowings. The company is required to be in readiness to meet this fund requirement. The Board has vide their resolution in the meeting dated 18.06.2018 has consented to seek approval of the Members for empowering the Board to borrow monies exceeding the aggregate of its Paid-up Share Capital, Free Reserves and Securities Premium upto an extent of Rs.10,000 crore in the FY 2018-19. Further, pursuant to the Provisions of Section 180 (1) (c) of the Companies Act, 2013, the Board of the Company only with the approval of members sought by passing of a Special Resolution in the general meeting can exercise their power to borrow money (including the money already borrowed by the company, if any) exceeding the aggregate of its Paid-up Share Capital, Free Reserves and Securities Premium.

Hence, the Board recommended the Special Resolution as set out in Item No.08 of the Notice for approval of the Members.

None of the Directors and Key Management Personnel of the Company (or their relatives), whether directly or indirectly are concerned or interested either financially or otherwise, in passing of resolution as set out at item No.08

Item No. 9

The scheme of RISE by 2022 is approved by the Cabinet on 04.07.2018, expanding the scope of HEFA by enhancing its capital base to Rs. 10,000 crore and tasking it to mobilise Rs. 1,00,000 crore. Consequently, Ministry of Human Resource Development (MHRD) vide their letter dated 17.07.2018 has informed to us that they propose to enhance the authorised share capital of HEFA to Rs. 10,000 crore and provision of additional Government equity of Rs. 5,000 crores in addition to the existing approved Government equity of Rs. 1,000 crores in HEFA.

The Board has vide their resolution in the meeting dated 01.10.2018, consented to seek approval of the Members of the Company for increasing the Authorised Share Capital of the Company from existing Rs. 2000 crore to Rs. 10,000 crore, subject to the prior approval of ROC. As required Company had applied to the Registrar of Companies- Bangalore on 03.08.2018 seeking prior approval and has received the prior approval of ROC on 26.10.2018 for such alteration in the Capital Clause VIII of its Memorandum of Association. Further, in pursuance to the provisions of section 13 and 61 of the Companies Act, 2013, Authorised Share Capital of the Company may be increased by the company subject to the approval of its members by an ordinary resolution passed in a General Meeting.

Hence, the Board recommended the Ordinary Resolution as set out in Item No.09 of the Notice for approval of the Members.



None of the Directors and Key Management Personnel of the Company (or their relatives), whether directly or indirectly are concerned or interested either financially or otherwise, in passing of resolution as set out at item No.09.

Item No. 10

In the Articles of Association of the Company, following two modifications have been proposed as under:

1. Alteration in the 'Conditions on which money may be borrowed' i.e. Article 84 of AOA – HEFA, being a Private Company is exempted from the provisions of Section 180 of the Companies Act, 2013 and Board may borrow funds by passing a Board Resolution only. Also, it will be required for HEFA to avail such exemption as it has to approach market frequently to borrow upto Rs. 90,000 crores approx to support RISE by 2022 over the next four years and this will certainly reduce the length of the process to be followed for borrowing of funds by the company.
2. Alteration in the 'Notice of Meetings' i.e. Article 149 of AOA- In the Article 149 of the AOA of the Company, written Notice of at least 21 (Twenty one) clear working days and shorter notice of 7 (seven) working days is inadvertently prescribed for any Board meeting of the Company. The notice period of 21 days is too long need to be corrected.

The Board has vide their resolution in the meeting dated 01.10.2018, consented to seek approval of the Members of the Company for amending the Article 82 (**Conditions on which money may be borrowed**) and Article 149 (**Notice of meetings**) subject to the prior approval of ROC. As required Company had applied to the Registrar of Companies- Bangalore on 03.08.2018 seeking prior approval and has received the prior approval of ROC on 26.10.2018 for such alteration in the Article 84 & 149 of its Articles of Association. Further, in pursuance to the provisions of section 14 of the Companies Act, 2013, the Articles of Association of the Company may be altered by the company subject to the approval of its members by a special resolution passed in a General Meeting.

Hence, the Board recommended the Special Resolution as set out in Item No.10 of the Notice for approval of the Members.

None of the Directors and Key Management Personnel of the Company (or their relatives), whether directly or indirectly are concerned or interested either financially or otherwise, in passing of resolution as set out at item No.10.

By Order of the Board


Govardhan Umajirao
Managing Director
DIN: 07544347



Date: 29.10.2018

Place: Bangalore

PROXY FORM

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

Name of Member(s):

Registered Address:

E-mail Id:

Client ID No: DP ID No:

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

1. Name Email Id:

Address: Signature: Or failing him/her;

2. Name Email Id:

Address: Signature: Or failing him/her;

3. Name Email Id:

Address: Signature: Or failing him/her;

.....

As my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at FIRST ANNUAL GENERAL MEETING of the company to be held on Saturday, 17TH NOVEMBER, 2018 at 12:00 Noon at Canara Bank, Head Office, 112, J C Road, Bengaluru, Karnataka 560002 and at any adjournment thereof in respect of such resolutions as are indicated overleaf.



RESOLUTIONS NO.

ORDINARY BUSINESS:

1. TO CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENT OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018 AND REPORTS OF THE BOARD OF DIRECTORS & AUDITORS THEREON.

SPECIAL BUSINESS:

2. REGULARISATION OF FIRST DIRECTORS OF THE COMPANY, BY APPOINTING THEM AS DIRECTORS OF THE COMPANY:
3. REGULARISATION OF ADDITIONAL DIRECTOR, PROF. ASHOK MISRA, BY APPOINTING HIM AS DIRECTOR OF THE COMPANY
4. REGULARISATION OF ADDITIONAL DIRECTOR, DR. RISHIKESHA THIRUVENKATA KRISHNAN, BY APPOINTING HIM AS DIRECTOR OF THE COMPANY.
5. REGULARISATION OF ADDITIONAL DIRECTOR, PROF. VIRANDAR SINGH CHAUHAN, BY APPOINTING HIM AS DIRECTOR OF THE COMPANY.
6. REGULARISATION OF ADDITIONAL DIRECTOR, PROF. BHASKAR RAMAMURTHI, BY APPOINTING HIM AS DIRECTOR OF THE COMPANY.
7. TO BORROW MONIES EXCEEDING THE AGGREGATE OF COMPANY'S PAID-UP SHARE CAPITAL, FREE RESERVES AND SECURITIES PREMIUM TO AN EXTENT OF RS. 10,000 CRORE.
8. INCREASE IN THE AUTHORISED SHARE CAPITAL FROM EXISTING RUPEES TWO THOUSAND CRORE TO PROPOSED RUPEES TEN THOUSAND CRORE AND ALTERATION IN THE CAPITAL CLAUSE OF MOA
9. ALTERATION OF ARTICLES OF ASSOCIATION (AOA) OF THE COMPANY

Signed thisday of2018

Signature of the member.....Signature of Proxy holder(s).....

Note:

1. This Form in order to be effective should be duly filled, stamped, signed and deposited at the Registered Office of the Company at 06th Floor, Naveen Complex, No. 14, MG Road, Bengaluru KA 560001 IN, not less than 48 hours before the commencement of the Meeting.
2. A proxy shall be a member of the Company.
3. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the FIRST ANNUAL GENERAL MEETING of the Company.

Affix
Revenue
Stamp



ATTENDANCE SLIP

FIRST ANNUAL GENERAL MEETING ON SATURDAY, 17TH NOVEMBER, 2018 AT 12:00 NOON.
AT CANARA BANK, HEAD OFFICE, 112, J C ROAD, BENGALURU, KARNATAKA 560002

Folio No.:	DP ID No.:	Client ID No.:
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I / We hereby record my/our presence at the FIRST ANNUAL GENERAL MEETING of the Company at Canara Bank, Head Office, 112, J C Road, Bengaluru, Karnataka 560002 at 12:00 Noon on Saturday, 17th November, 2018.

Name of the Member	Signature
Name of the Proxyholder	Signature

