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NOTICE

Shorter Notice is hereby given that the **13th Annual General Meeting (AGM)** of Shubham Housing Development Finance Company Limited will be held on Tuesday the 31st day of May 2022 at 10.00 a.m. IST at its Registered Office at D-305, Ground Floor, Sarvodaya Enclave, New Delhi – 110017 to transact the following business:

ORDINARY BUSINESS:

Item No. 1 – Adoption of Audited Financial Statements
To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March 2022, together with the Directors' and Auditors' Reports thereon.

Item No. 2 – Re-appointment of Mr. Rahul Chandra, Director
To consider re-appointment of Mr. Rahul Chandra, DIN: 01213049, Nominee Director of Helion Venture Partners II LLC, an Investor in the Company, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment. He shall be liable to retire by rotation.

Item No. 3 – To appoint Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of the 15th Annual General Meeting and to fix their remuneration:

To appoint the Statutory Auditors and fix their remuneration, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Sections 139, 141, 142 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. MSKA & Associates, Chartered Accountants (Firm Registration No. 105047W), be and are hereby appointed as the Statutory Auditors of the Company for remaining tenure of 2 years commencing from the conclusion of this 13th Annual General Meeting till the conclusion of 15th Annual General Meeting, subject to the statutory auditors satisfying eligibility norms each year, on such remuneration as may be fixed by the management plus re-imbursement of out of pocket expenses incurred and applicable taxes thereon.

RESOLVED FURTHER THAT Mr. Sanjay Chaturvedi, Director or Ms. Rupa Basu, Director or Mr. Shashank Jain, CFO or Ms. Neeta Kamra, Company Secretary of the Company, be and are hereby severally authorised to take, perform and execute such further steps, acts, deeds and matters, as may be necessary, proper or expedient to give effect to above resolution, from time to time including power to settle questions, difficulties, doubts or queries arising out of the subject matter hereof without required to seek any further consent or approval from shareholders."

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SPECIAL BUSINESS:

Item No. 4 – To Offer and Issue Optionally Convertible Debentures by way of Preferential Allotment on a Private Placement Basis and to Approve and circulate the Private Placement Offer Letter Cum Application Form and other ancillary actions:

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

"RESOLVED THAT pursuant to the provisions of Sections 23(1)(b), 42, 62(1)(c), 71, 179(3)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (the "**Companies Act**"), read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014 (including, in each case, any amendments thereto, or re-enactment thereof, for the time being in force), the memorandum of association of the Company, the articles of association of the Company, and other applicable laws and regulations for the time being in force, the consent of the members of the Company be and is hereby accorded to the board of directors of the Company (the "**Board**") to offer, issue and allot an aggregate of: (a) 2,380 (two thousand three hundred and eighty) optionally convertible debentures ("**OCDs**") carrying interest at 8% (eight percent) per annum having a face value of INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty Nine and Zero Four Paise) to Mr. Sanjay Chaturvedi ("**Sanjay**"); and (b) 17,520 (seventeen thousand five hundred and twenty) OCDs carrying interest at 8% (eight percent) per annum having a face value of INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty Nine and Zero Four Paise) to Ms. Rupa Basu ("**Rupa**") (Sanjay and Rupa, individually called the "**Promoter**", and collectively called the "**Promoters**") (the "**Subscription Securities**") for a total consideration of INR 5,62,97,896 (Indian Rupees Five Crore Sixty Two Lakh Ninety Seven Thousand Eight Hundred Ninety Six), (the "**Subscription Consideration**"), with the Subscription Securities being on such terms of issuance as have been specified in **Annexure A** (which is deemed to be an integral part of this Resolution), by way of a preferential allotment on a private placement basis, in the manner set out below:

S. No.	Name of the Promoter	Address of the Promoter	Number of Subscription Securities	Issue price per OCD*	Total consideration (INR)**
1.	Sanjay Chaturvedi	D-305, Ground Floor, Sarvodaya Enclave, New Delhi – 110017	2,380 (two thousand three hundred and eighty) OCDs	INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty Nine and Zero Four Paise)	INR 67,33,115.2 (Indian Rupees Sixty Seven Lakh Thirty Three Thousand One Hundred Fifteen and Two Paise)
2.	Rupa Basu	S-10A, Windsor Court, DLF Phase – IV, Gurgaon – 122002	17,520 (seventeen thousand five hundred and twenty) OCDs	INR 2,829.04 (Indian Rupees Two	INR 4,95,64,780.8 (Indian Rupees Four Crore Ninety Five Lakh

S. No.	Name of the Promoter	Address of the Promoter	Number of Subscription Securities	Issue price per OCD*	Total consideration (INR)**
				Thousand Eight Hundred Twenty Nine and Zero Four Paise)	Sixty Four Thousand Seven Hundred Eighty and Eight Paise)

** Note that each OCD shall be issued by the Company at a face value of INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty Nine And Zero Four Paise), of which INR 140 (Indian Rupees One Hundred And Forty) shall be payable at the time of application for subscription to such OCD towards OCD allotment, and the remaining INR 2,689.04 (Indian Rupees Two Thousand Six Hundred Eighty Nine And Zero Four Paisa) per OCD may be paid by the OCD holder at its sole discretion at any time during the tenure of the OCD.*

*** The amount of total consideration has been arrived at basis the issue price of INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty-Nine and Zero Four Paise) per OCD.*

RESOLVED FURTHER THAT subject to the provisions of the Companies Act and other applicable laws, the Board be and is hereby authorized to decide, approve, vary, modify or alter any of the relevant terms and conditions, including the size of the preferential issue to the Promoters, as it may deem expedient.

RESOLVED FURTHER THAT the draft private placement offer letter-cum-application forms in Form No. PAS-4 (the "**Offer Letters**", which term shall mean the Offer Letter as may be modified/finalized by the authorization granted under these resolutions) for the issuance of the relevant Subscription Securities to each of the Promoters, and the draft record of private placement offer letter in Form No. PAS-5 in respect of the issuance of the Subscription Securities, as placed in the meeting and initialed by the Chairman for the purpose of identification, be and are hereby approved.

RESOLVED FURTHER THAT subject to the subsequent filing of these resolutions in this regard with the Registrar of Companies pursuant to Rule 14(8) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, Mr. Shashank Jain, CFO, and Ms. Neeta Kamra, Company Secretary, be and are hereby severally authorized to modify, finalize and sign the Offer Letters on behalf of the Company and to circulate it to the relevant Investors.

RESOLVED FURTHER THAT Mr. Shashank Jain, CFO, and Ms. Neeta Kamra, Company Secretary, be and are hereby severally authorized on behalf of the Company to complete the necessary procedure towards issue of Offer Letters and necessary documents to the Investors to subscribe to the Subscription Securities of the Company and to undertake such other acts, deeds and acts as may be required to give effect to the offer, issue and allotment, executing all such deeds, documents, agreements and writings as may be necessary for the purpose of giving effect to the aforesaid resolutions, taking such further steps as maybe required for the allotment of the Subscription Securities and such other steps that are incidental and ancillary to give effect to the foregoing resolutions (including execution, signing, filing and submission of all documents and forms (including but not limited to Form No. MGT-14 and Form No. PAS-3) with the Registrar of Companies or any other statutory filings with governmental authorities or with any other appropriate authorities), as may be required, recording the name of the members in the register of debenture holders, and acting as compliance officer in connection with the private placement offer process) and to do, make or accept such alterations, modifications or variations in the foregoing resolutions, as may be considered desirable without being required to seek any further consent or approval of the members.

RESOLVED FURTHER THAT certified true copy of the resolution be furnished under the signature of Mr. Sanjay Chaturvedi, Director, Ms. Rupa Basu, Director, Mr. Shashank Jain, CFO or Ms. Neeta Kamra, Company Secretary, who are hereby severally authorized, to do all such acts and deeds as may be required, as and when demanded, for proper implementation of the aforesaid resolutions and to ensure that all necessary documents are furnished to the requisite statutory authorities or to any other person concerned or interested in the matter.

Item No. 5 – Amendment in the Employee Stock Option Plan, 2013

To consider and if thought fit, to pass with or without modification, the following resolution as a special resolution:

"RESOLVED THAT pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act") and the applicable Rules framed thereunder, including any amendment thereto or re-enactment thereof and including any regulations, guidelines, circulars and notifications issued thereunder and subject to such other approvals, consents, permissions and/or sanctions as may be required from any appropriate regulatory or statutory authority/institution or body and subject to such terms and conditions as may be prescribed/imposed by any of them, the consent of the Members of the Company be and is hereby accorded for amending the 'Employee Stock Options Plan 2013' (hereinafter referred to as the "ESOP 2013" or the "Scheme"), terms of amendment whereof is set out in Explanatory Statement and draft of revised Scheme, annexed to the Notice convening this Meeting.

RESOLVED FURTHER THAT it is hereby noted that the terms of amendments are not prejudicial to the interests of the option holders.

RESOLVED FURTHER THAT without prejudice to the generality of the above the Board or any Committee of Board or any other authority designated by Board be and is hereby authorised to administer, superintend and implement the Scheme, in its absolute discretion and to settle all questions, difficulties or doubts that may arise in relation to the implementation and formulation of the Scheme without being required to seek further shareholders approval.

RESOLVED FURTHER THAT the Board or any other authority delegated by Board, be and is hereby authorised to make further modifications, changes, variations, alterations or revisions in the Scheme, as it may deem fit, from time to time or to suspend, withdraw or revive the Scheme, from time to time, in conformity with the provisions of the Act and other applicable rules, regulations, guidelines and laws, unless such variation, amendment, modification or alteration is detrimental to the interest of the employees who have been granted stock options under the Scheme;

RESOLVED FURTHER THAT Mr. Sanjay Chaturvedi, Director and/or Ms. Rupa Basu, Director and/or Mr. Shashank Jain, CFO and/or Ms. Neeta Kamra, Company Secretary be and are hereby severally authorized to do all acts, deeds, matters and things as considered necessary and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolutions."

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Item No. 6 - Amendment in the Employee Stock Option Scheme 2020

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

"RESOLVED THAT pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act") and the applicable Rules framed thereunder, including any amendment thereto or re-enactment thereof and including any regulations, guidelines, circulars and notifications issued thereunder and subject to such other approvals, consents, permissions and/or sanctions as may be required from any appropriate regulatory or statutory authority/institution or body and subject to such terms and conditions as may be prescribed/imposed by any of them, the consent of the Members of the Company be and is hereby accorded for amending the Employee Stock Option Scheme 2020 (ESOP Scheme 2020), terms of amendment whereof is set out in Explanatory Statement and draft of revised Scheme, annexed to the Notice convening this Meeting.

RESOLVED FURTHER THAT it is hereby noted that the terms of amendments are not prejudicial to the interests of the option holders.

RESOLVED FURTHER THAT without prejudice to the generality of the above the Board or any Committee of Board or any other authority designated by Board be and is hereby authorised to administer, superintend and implement the Scheme, in its absolute discretion and to settle all questions, difficulties or doubts that may arise in relation to the implementation and formulation of the Scheme, without being required to seek further shareholders approval.

RESOLVED FURTHER THAT the Board or any other authority delegated by Board, be and is hereby authorised to make further modifications, changes, variations, alterations or revisions in the Scheme, as it may deem fit, from time to time or to suspend, withdraw or revive the Scheme, from time to time, in conformity with the provisions of the Act and other applicable rules, regulations, guidelines and laws, unless such variation, amendment, modification or alteration is detrimental to the interest of the employees who have been granted stock options under the Scheme;

RESOLVED FURTHER THAT Mr. Sanjay Chaturvedi, Director and/or Ms. Rupa Basu, Director and/or Mr. Shashank Jain, CFO and/or Ms. Neeta Kamra, Company Secretary be and are hereby severally authorized to do all acts, deeds, matters and things as considered necessary and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolutions."

By Order of the Board
For Shubham Housing Development Finance Company Limited

Shubham Housing Development Finance Company Ltd. Gurgaon

(Neeta Kamra)
Company Secretary
Membership No.: ACS 22892

Place: Delhi
Date: 18.05.2022

NOTES:

1. Pursuant to Secretarial Standards on General Meetings, in respect of Directors seeking re-appointment at the AGM, details of Directors are furnished as annexure to the Notice.

2. **EVERY MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

3. Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% 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 shareholder.

4. The instrument of proxy in order to be effective should be received by the company not less than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Notice.

5. The relevant Statement made pursuant to Section 102 (1) of the Companies Act, 2013 in respect of Special Business to be transacted at the Meeting, set out in the Notice, is enclosed hereto and forms part of the Notice

6. Relevant documents, if any, referred to in the Notice and the accompanying Statements are open for inspection by the Members at the Registered Office of the Company during working hours on all working days, up to the date of the Annual General Meeting and at the Meeting also.

7. The Register of Members, Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or Arrangements in which the directors are interested, maintained under Sections 88, 170 and 189 respectively of the Companies Act, 2013, shall be available for inspection by the Members at the AGM.

8. The road map to the venue of the annual general meeting is enclosed to this Notice.

By Order of the Board
For Shubham Housing Development Finance Company Limited

Shubham Housing Development Finance Company Ltd. ★ Gurgaon

(Neeta Kamra)
Company Secretary
Membership No.: ACS 22892

Place: Delhi
Date: 18.05.2022

<u>EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013</u>

<u>Item No. 4</u>

The Board of Directors of the Company (the "**Board**") in its meeting held on May 18, 2022 accorded their approval to offer, issue and allot an aggregate of: (a) 2,380 (two thousand three hundred and eighty) optionally convertible debentures ("**OCDs**") carrying interest at 8% (eight percent) per annum having a face value of INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty Nine and Zero Four Paise) to Mr. Sanjay Chaturvedi ("**Sanjay**"); and (b) 17,520 (seventeen thousand five hundred and twenty) OCDs carrying interest at 8% (eight percent) per annum having a face value of INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty Nine and Zero Four Paise) to Ms. Rupa Basu ("**Rupa**") (Sanjay and Rupa, individually called the "**Promoter**", and collectively called the "**Promoters**") (the "**Subscription Securities**"), to the Promoters on such terms and conditions as have been specified in **Annexure A**, by way of a preferential allotment on a private placement basis, in the manner set out below:

S. No.	Name of the Promoter	Address of the Promoter	Number of Subscription Securities	Issue price per OCD*	Total consideration (INR)**
1.	Sanjay Chaturvedi	D-305, Ground Floor, Sarvodaya Enclave, New Delhi – 110017	2,380 (two thousand three hundred and eighty)	INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty-Nine and Zero Four Paise)	INR 67,33,115.2 (Indian Rupees Sixty-Seven Lakh Thirty-Three Thousand One Hundred Fifteen and Two Paise)
2.	Rupa Basu	S-10A, Windsor Court, DLF Phase – IV, Gurgaon – 122002	17,520 (seventeen thousand five hundred and twenty)	INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty-Nine and Zero Four Paise)	INR 4,95,64,780.8 (Indian Rupees Four Crore Ninety-Five Lakh Sixty-Four Thousand Seven Hundred Eighty and Eight Paise)

** Note that each OCD shall be issued by the Company at a face value of INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty Nine And Zero Four Paise), of which INR 140 (Indian Rupees One Hundred And Forty) shall be payable at the time of application for subscription to such OCD towards OCD allotment, and the remaining INR 2,689.04 (Indian Rupees Two Thousand Six Hundred Eighty Nine And Zero Four Paisa) per OCD may be paid by the OCD holder at its sole discretion at any time during the tenure of the OCD.*

*** The amount of total consideration has been arrived at basis the issue price of INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty-Nine and Zero Four Paise) per OCD.*

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DISCLOSURE AS REQUIRED UNDER RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT) RULES, 2014 FOR THE ISSUANCE OF THE SUBSCRIPTION SECURITIES

Details to be furnished	Response
Particulars of the offer including date of passing of the board resolution	The Company proposes to offer, issue and allot an aggregate of: (a) 2,380 (two thousand three hundred and eighty) OCDs carrying interest at 8% (eight percent) per annum having a face value of INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty Nine and Zero Four Paise) to Mr. Sanjay Chaturvedi; and (b) 17,520 (seventeen thousand five hundred and twenty) OCDs carrying interest at 8% (eight percent) per annum having a face value of INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty Nine and Zero Four Paise) to Ms. Rupa Basu for a total consideration of INR 5,62,97,896 (Indian Rupees Five Crore Sixty Two Lakh Ninety Seven Thousand Eight Hundred Ninety Six). The resolution of the Board approving the offer was passed in the meeting of the Board held on May 18, 2022.
Kinds of securities offered and the price at which security is being offered	Optionally convertible debentures at an offer price of INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty-Nine and Zero Four Paisa) per OCD.
Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	The offer price of the Subscription Securities has been arrived at on the basis of the valuation report. A copy of the valuation report is enclosed as **Annexure D** (the "**Valuation Report**").
Name and address of the valuer who performed the valuation	Name: M/s Sundae Capital Advisors Private Limited Address: 3rd Floor, C-11, Community Centre, Janakpuri, New Delhi-110058
Amount which the company intends to raise by way of such securities	INR 5,62,97,896 (Indian Rupees Five Crore Sixty-Two Lakh Ninety Seven Thousand Eight Hundred Ninety Six). Note that each OCD shall be issued by the Company at a face value of INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty Nine And Zero Four Paise), of which INR 140 (Indian Rupees One Hundred And Forty) shall be payable at the time of application for subscription to such OCD towards OCD allotment, and the remaining INR 2,689.04 (Indian Rupees Two Thousand Six Hundred Eighty Nine And Zero Four Paisa) per OCD may be paid by the OCD holder at its sole discretion at any time during the tenure of the OCD.
Material terms of raising such securities	The terms of the Subscription Securities are set out in **Annexure A** hereto.
Proposed time schedule	The Offer Letter will be valid for a period of 30 (thirty) days from the date of the Offer Letter. The Company intends to complete the process

<table>
<tr><th>Details to be furnished</th><th>Response</th></tr>
<tr><td></td><td>of allotment at the earliest and in any case within 60 (sixty) days of the receipt of the share application money from the relevant Promoters.</td></tr>
<tr><td>Purpose of offer</td><td>For general corporate purpose</td></tr>
<tr><td>Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects</td><td>The securities offered in the issue shall be subscribed to by the Promoters as specified below:
<table>
<tr><td>Sanjay Chaturvedi</td><td>INR 67,33,115.2 (Indian Rupees Sixty Seven Lakh Thirty Three Thousand One Hundred Fifteen and Two Paise)*</td></tr>
<tr><td>Rupa Basu</td><td>INR 4,95,64,780.8 (Indian Rupees Four Crore Ninety Five Lakh Sixty Four Thousand Seven Hundred Eighty and Eight Paise) *</td></tr>
</table>

* The amount of consideration has been arrived at basis the issue price of INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty-Nine and Zero Four Paise) per OCD.

Note that each OCD shall be issued by the Company at a face value of INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty Nine And Zero Four Paise), of which INR 140 (Indian Rupees One Hundred And Forty) shall be payable at the time of application for subscription to such OCD towards OCD allotment, and the remaining INR 2,689.04 (Indian Rupees Two Thousand Six Hundred Eighty Nine And Zero Four Paisa) per OCD may be paid by the OCD holder at its sole discretion at any time during the tenure of the OCD.</td></tr>
<tr><td>Principal terms of assets charged as securities</td><td>Not applicable as the Subscription Securities offered are optionally convertible debentures which are not secured.</td></tr>
</table>

<u>DISCLOSURE AS REQUIRED UNDER RULE 13 OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 IN RELATION TO THE ISSUANCE OF THE SUBSCRIPTION SECURITIES</u>

Details to be furnished	Response
The objects of the issue	For general corporate purposes.
Total number of shares or other securities to be issued	(a) 2,380 (two thousand three hundred and eighty) OCDs to Mr. Sanjay Chaturvedi; and (b) 17,520 (seventeen thousand five hundred and twenty) OCDs to Ms. Rupa Basu.

Price at which the allotment is proposed to be made	INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty Nine And Zero Four Paisa) per OCD. Note that of the face value of INR 2,829.04 (Indian Rupees Two Thousand Eight Hundred Twenty Nine And Zero Four Paise), INR 140 **(**Indian Rupees One Hundred And Forty) shall be payable at the time of application for subscription to such OCD towards OCD allotment, and the remaining INR 2,689.04 (Indian Rupees Two Thousand Six Hundred Eighty Nine And Zero Four Paisa) per OCD may be paid by the OCD holder at its sole discretion at any time during the tenure of the OCD.
Basis on which the price has been arrived at along with report of the registered valuer	The offer price of the Subscription Securities has been arrived at on the basis of the Valuation Report. A copy of the Valuation Report is enclosed at **Annexure D**.
Relevant date with reference to which the price has been arrived at	31.03.2022
The class or classes of persons to whom the allotment is proposed to be made	Promoters (individuals) cum Whole Time Directors i.e., Mr. Sanjay Chaturvedi and Ms. Rupa basu.
Intention of promoters, directors or key managerial personnel to subscribe to the offer	Sanjay and Rupa - the Promoters and whole time directors of the Company intend to subscribe to the proposed offer. Apart from them, none of directors or key managerial personnel of the Company intend to subscribe to the offer.
The proposed time within which the allotment shall be completed	The Company intends to complete the process of allotment of the Subscription Securities at the earliest and in any case within 60 (sixty) days of the receipt of the share application money.
The names of the proposed allottees and the percentage of post preferential offer capital that may be held by them	Please refer to **Annexure B**.
Change in control, if any, in the company that would occur consequent to the preferential offer	The allotment of the Subscription Securities pursuant to the proposed preferential offer will not result in a change in control in the Company. While such allotment will result in a change in the *inter-se* shareholding pattern of the shareholders on a fully diluted basis (assuming conversion of the OCDs), no single shareholder will as a result, acquire a controlling stake in the Company.

<u>**Number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price**</u>	There have been no allotments made on a preferential basis / private placement / rights issue during the financial year 2022-23 (till May 18, 2022)
Justification for allotment proposed to be made for consideration other than cash together with valuation report of registered valuer	Not applicable, as the allotment will be made for cash consideration.
Pre and post issue shareholding pattern of the company in the following format	Please refer to **Annexure C**.

Section 42 read with Section 62(1)(c) of the Companies Act requires the Company to obtain the approval of its members by way of special resolution for the issuance of the Subscription Securities by way of preferential allotment through a private placement basis. The Board approved the offering of, and the issuance of the Subscription Securities subject to the approval of the members of the Company in its meeting held on May 18, 2022, and recommends that the accompanying notice be passed as a special resolution.

Relevant documents (including the draft Offer Letter, the draft record of private placement offer in Form No. PAS-5 and the Valuation Report) will be open for inspection by the members of the Company at the registered office of the Company at D - 305, Ground Floor, Sarvodaya Enclave, New Delhi – 110017 on all working days , during business hours up to the date of the meeting, and will also be made available at the meeting.

Except Sanjay and Rupa (who are the Promoters of the company, whole-time directors and the proposed allotees), none of the directors or key managerial personnel of the Company, or the relatives thereof, are concerned or interested (financially or otherwise) in the proposed special resolution

<u>**Item No. 5**</u>

Shubham Housing Development Finance Company Limited **("Company")** has an Employee Stock Option Plan 2013 **("Scheme")** to create, offer, issue and allot at any time to or for the benefit of the employees of the Company under the Scheme such number of stock options exercisable into equity shares, not exceeding 1,19,047 Equity Shares in aggregate, at such price and on such terms and conditions as may be fixed or determined by the Board or Recruitment, Compensation and Nomination Committee of Board **("Committee")**, as the case may be, in accordance with the provisions of law prevailing at that time. The Scheme is administered through the Shubham Employees Welfare Trust ("Trust").

The objective of the Scheme is to facilitate employee participation in the ownership of the Company by offering Equity Shares of the Company to Eligible Employees of Company.

The Committee at its meeting held on 17th May 2022, passed a resolution amending certain provisions of the Scheme in order to add more clarity to the existing provisions of the Scheme and remove any ambiguity, if any, therein. Amendments made by the Committee has been approved by the Board in its meeting held on 18th May 2022 and hence same being recommended to shareholders for their approval by passing Special Resolution for Item No. 5 set out in the Notice to the meeting.

Further, in terms of Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, it is hereby confirmed that amendments in the Scheme are not prejudicial to the interests of the option holders.

A full draft copy of the amended Scheme would be available for inspection, by the Members without any fee, at the Registered Office of the Company during normal business hours on any working day upto the date of meeting and during the continuance of meeting.

The mentioned changes in the Scheme will be applicable to all existing and future holders of employee stock option.

Salient Features of the Scheme [Disclosures under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014] given below:

Total number of stock options to be granted	A maximum of 1,19,047 (One Lakh Nineteen Thousand Forty-Seven) stock options. Each stock option is exercisable into 1 (one) equity share of the Company.
Identification of classes of employees entitled to participate in the ESOP 2013	As may be decided by the Committee from time to time, in accordance with the Scheme.
Appraisal process for determining the eligibility of employees to the ESOP 2013	As may be deemed fit by the Committee from time to time in accordance with the Scheme
Requirements of vesting and vesting period	Exact period shall be determined by the Committee subject to minimum period of one year and maximum period of four years between the grant of options and vesting of options. Except in case of death and permanent incapacity, Option Grantee should continue to be in employment of the Company on the date Options granted are due to vest
Maximum period within which the options shall be vested	As may be determined by the Committee subject to maximum of four years within which the options granted should be vested.
Exercise price or the formula for arriving at the same	Face value of equity share or any other price as may be determined by the Committee
Exercise period and Exercise Process	As may be determined by the Committee from time to time
Lock-in period	As may be determined by the Committee in accordance with the Scheme
Maximum number of options to be granted per employee and in aggregate	Such number as may be decided by the Board in accordance with the Scheme.
Method which the company shall use to value its options	As per the Scheme.
Conditions under which options vested in employee(s) may lapse	Vested Options shall lapse:- (a) In the event of abandonment of employment by an Option Grantee without the Company's

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	consent (b) In the event of termination of employment of Option Grantee for the Cause Cause means:- • the act of willful or gross misconduct or neglect • the commission of felony, fraud, misappropriation, embezzlement, breach of trust or an offence involving moral turpitude, • gross or willful insubordination or • any other act detrimental to the interest of the Company.
Specified Time Period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee	In the event of resignation or termination except in case of abandonment of employment by employee without Company's consent or termination for the cause, all the options vested till the date of notice of resignation or date of notice of termination shall be exercised within one month from last working day or the date of termination, as the case may be.
Statement to the effect that the company shall comply with the applicable accounting standards	The company will comply with the applicable accounting standards

Comparatives of New (Proposed) clauses vs. Old (Existing) clauses

The following changes are being made to the scheme:

Existing Clause	**New Clause**
Not provided	Clause 2.1(xxvi) "Founder" and "Promoter" are interchangeable
Clause 7.5 In the event of separation from employment for reasons of normal retirement or a retirement specifically approved by the Company, (i) all Vested Options should be exercised by the Option Grantee immediately after, but in no event later than 6 (Six) months from the date of such Option Grantee's retirement, and (ii) all Unvested Options will stand cancelled as on the date of such retirement, unless otherwise determined by the Compensation Committee whose determination will be final and binding	Clause 7.5 In the event of separation from employment for reasons of normal retirement or a retirement specifically approved by the Company, i) all Vested Options should be exercised by the Option Grantee immediately after, but in no event later than 6 (Six) months from the date of such Option Grantee's retirement, and ii) all Unvested Options will stand cancelled as on the date of normal retirement or date on which company specifically approves a retirement, unless otherwise determined by the Compensation Committee whose determination will be final and binding

The Key Managerial Persons (KMPs) of the Company may be deemed to be concerned or interested in the Resolution to the extent of the employee stock options granted to them. None of the Directors, except to the extent of their shareholding or relatives of Directors or KMPs of the Company are concerned or interested in the passing of the resolution at Item No. 5.

The Board of Directors of the Company recommends the passing of the resolution in Item No. 5 of the notice as Special Resolution.

Item No. 6

Shubham Housing Development Finance Company Limited ("Company") has an Employee Stock Option Scheme 2020, **("ESOP Scheme 2020")** to create, offer, issue and allot at any time to or for the benefit of the employees of the Company under the ESOP Scheme 2020 such number of stock options exercisable into equity shares, not exceeding 1,27,889 Equity Shares in aggregate, at such price and on such terms and conditions as may be fixed or determined by the Board or Recruitment, Compensation and Nomination Committee of Board **("Committee")**, as the case may be, in accordance with the provisions of law prevailing at that time. Unlike the Employee Stock Option Plan 2013, the ESOP Scheme 2020 is not administered through the Shubham Employees Welfare Trust ("Trust") and shares pursuant to the exercised stock options are directly issued and allotted by the Company to the employees.

The objective of the Scheme is to facilitate employee participation in the ownership of the Company by offering Equity Shares of the Company to Eligible Employees of Company.

The Committee at its meeting held on 17th May 2022, passed a resolution amending certain provisions of the Scheme in order to add more clarity to the existing provisions of the Scheme and remove any ambiguity, if any, therein. Amendments made by the Committee has been approved by the Board in its meeting held on 18th May, 2022 and hence same being recommended to shareholders for their approval by passing Special Resolution for Item No. 6 set out in the Notice to the meeting.

Further, in terms of Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, it is hereby confirmed that amendments in the Scheme are not prejudicial to the interests of the option holders.

A full draft copy of the amended Scheme would be available for inspection, by the Members without any fee, at the Registered Office of the Company during normal business hours on any working day upto the date of meeting and during the continuance of meeting.

The mentioned changes in the Scheme will be applicable to all existing and future holders of employee stock option.

Salient Features of the ESOP Scheme 2020 [Disclosures under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014] given below

Total number of stock options to be granted	A maximum of 127,889 (One Lakh Twenty-Seven Thousand Eight Hundred Eighty-Nine) stock options. Each stock option is exercisable into 1 (one) equity share of the Company
Identification of classes of employees entitled to participate in the ESOP Scheme, 2020	As may be decided by the Committee from time to time, in accordance with the Scheme.
Appraisal process for determining the eligibility of employees to the ESOP Scheme, 2020	As may be deemed fit by the Committee from time to time in accordance with the Scheme
Requirements of vesting and period of vesting	Exact period shall be determined by the Committee subject to minimum period of one year and maximum period of four years between the grant of options and vesting of options. Except in case of death and permanent incapacity, Option Grantee should continue to be

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	in employment of the Company on the date Options granted are due to vest
Maximum period within which the options shall be vested	As determined by the Committee subject to maximum of four years within which the options granted should be vested.
Exercise price or the formula for arriving at the same	Rs. 1166.41/- rounded off to Rs. 1166/- or any other price as may be determined by the Committee.
Exercise period and process of exercise	As may be determined by the Committee from time to time
Lock-in period	As may be determined by the Committee in accordance with the ESOP Scheme 2020
Maximum number of options to be granted per employee and in aggregate	Such number as may be decided by the Board in accordance with the ESOP Scheme 2020.
Method which the company shall use to value its options	As per the ESOP Scheme 2020.
Conditions under which option vested in employees may lapse	Vested Options shall lapse:- (a) In the event of abandonment of employment by an Option Grantee without the Company's consent (b) In the event of termination of employment of Option Grantee for the Cause Cause means:- • the act of willful or gross misconduct or neglect • the commission of felony, fraud, misappropriation, embezzlement, breach of trust or an offence involving moral turpitude, • gross or willful insubordination or • any other act detrimental to the interest of the Company.
Specified Time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee;	In the event of resignation or termination except in case of abandonment of employment by employee without Company's consent or termination for the cause, all the options vested till the date of notice of resignation or date of notice of termination shall be exercised within one month from last working day or the date of termination, as the case may be.
Statement to the effect that the company shall comply with the applicable accounting standards	The company will comply with the applicable accounting standards

<u>Comparatives of New (Proposed) clauses vs. Old (Existing) clauses</u>

The following changes are being made to the ESOP Scheme 2020:

Existing Clause	**New Clause**
Not Provided	Clause 2.1(xxv) "Founder" and "Promoter" are interchangeable
Clause 7.5	Clause 7.5

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In the event of separation from employment for reasons of normal retirement or a retirement specifically approved by the Company, (i) all Vested Options should be exercised by the Option Grantee immediately after, but in no event later than 6 (Six) months from the date of such Option Grantee's retirement, and (ii) all Unvested Options will stand cancelled as on the date of such retirement, unless otherwise determined by the Compensation Committee whose determination will be final and binding	In the event of separation from employment for reasons of normal retirement or a retirement specifically approved by the Company, i) all Vested Options should be exercised by the Option Grantee immediately after, but in no event later than 6 (Six) months from the date of such Option Grantee's retirement, and ii) all Unvested Options will stand cancelled as on the date of normal retirement or date on which company specifically approves a retirement, unless otherwise determined by the Compensation Committee whose determination will be final and binding

The Key Managerial Persons (KMPs) of the Company may be deemed to be concerned or interested in the Resolution to the extent of the employee stock options granted to them. None of the Directors, except to the extent of their shareholding or relatives of Directors or KMPs of the Company are concerned or interested in the passing of the resolution at Item No. 6.

The Board of Directors of the Company recommends the passing of the resolution in Item No. 6 of the notice as Special Resolution

By Order of the Board
For Shubham Housing Development Finance Company Limited

Shubham Housing Development Finance Company Ltd. Gurgaon

(Neeta Kamra)
Company Secretary
Membership No.: ACS 22892

Place: Delhi
Date: 18.05.2022

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ANNEXURE TO THE NOTICE
Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting
[Pursuant to Secretarial Standards on General Meetings]

DETAILS OF MR. RAHUL CHANDRA

- **Date of first appointment on the Board of Company**
  Mr. Rahul Chandra was appointed as a Member of Board of Shubham Housing Development Finance Company Ltd. with effect from April 18, 2012.

- **Age, experience and qualification that qualify him for Board membership**
  He aged 50 and he holds an MBA from University of California, Berkeley and graduated from Birla Institute of Technology & Science, Pilani in 1993. Mr. Chandra is a co-founder of Helion and has 17 years of venture capital investing and corporate development experience in technology product and services companies in India and the US. He serves on the Boards of Seclore, UnitedLex, Netambit, Mindworks and manages investments in Cucumber Town, EzeTap, Spandana and Equitas.
  Between 2000 and 2006, Mr. Chandra was based in Silicon Valley as part of the investment team at Walden International, a global venture capital firm with more than $2B under management. Between 2004 and 2005 he also led the M&A efforts at e4e Inc., a Santa Clara, CA based BPO company with more than 4,000 employees across the globe.

- **Shareholding in the Company**
  He does not hold any share of the Company in individual capacity.

- **Disclosure of Relationship inter-se between Directors, Manager and other Key Managerial Personnel**
  There is no inter-se relationship between him and other members of the Board and Key Managerial Personnel of the Company.

- **Board Meeting Attendance and Remuneration during the FY 2021-22**
  He attended 6 (Six) out of 7(Seven) Board Meetings he was entitled to attend during the year. He was not paid any remuneration during his term with the Company.

- **Companies in which he holds Directorships and Committee memberships/chairmanships as on 31st March 2022. (Other than Shubham Housing Development Finance Company Ltd.)**

  Directorships
  1. Greenizon Agritech Consultancy Private Limited
  2. Seclore Technology Private Limited
  3. Stelling Technologies Private Limited
  4. Changejar Technologies Private Limited
  5. Skookum Education Consultants Private Limited
  6. Unitary Investment Management LLP.
  7. Moengage Inc.
  8. RC Holding International Ltd.

  Chairmanship/Membership of Committees of Board of Directors of Other Companies

  Nil

- **Terms and conditions of re-appointment**

  Being a Director liable to retire by rotation, he is retiring in the ensuing AGM. Being eligible, he seeks re-appointment as a Director on the Board of Directors of the Company as a nominee of an Investor-Shareholder of the Company (i.e., Helion Venture Partners II LLC). He shall hold his office in the Company at the pleasure of the Investor-Shareholder who nominated him and shall be liable to retire by rotation. His re-appointment in the Board is sought at nil remuneration.

  During his tenure, Company may request him to be a member/Chairman of any one or more Committees of the Board, which may be constituted from time to time.

Form No. MGT-11
Proxy form

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

CIN: U65921DL2010PLC199469
Name of the company: Shubham Housing Development Finance Company Ltd.
Registered office: D-305, Ground Floor, Sarvodaya Enclave, New Delhi-110017

Name of the member (s)	**:**	
Registered address	:	
E-mail Id	:	
Folio No/ Client Id	:	
DP ID	:	

I/We, being the member(s) of ______________ Equity shares and ___________Compulsory Convertible Preference Shares of the above named company, hereby appoint:

1. Name:

   Address:

   E-mail Id:

   Signature : ………………………,

   or failing him/her

2. Name:

   Address:

   E-mail Id:

   Signature : ………………………,

   or failing him/her

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 13th Annual General Meeting of the company, to be held on Tuesday the 31st day of May 2022 at 10 a.m. IST at Registered Office of the company at D-305, Ground Floor, Sarvodaya Enclave, New Delhi – 110017 and at any adjournment thereof in respect of resolutions as indicated below:

Resolution No: 1
To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March 2022, together with the Directors' and Auditors' Reports thereon.

Resolution No.2
To re-appoint Mr. Rahul Chandra as a Director, who retires by rotation and being eligible, offers himself, for re-appointment.

Resolution No. 3
To appoint Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of the 15th Annual General Meeting and to fix their remuneration.

Resolution No. 4
To Offer and Issue Optionally Convertible Debentures by way of Preferential Allotment on a Private Placement Basis and to Approve and circulate the Private Placement Offer Letter Cum Application Form and other ancillary actions

Resolution No. 5
Amendment in the Employee Stock Option Plan, 2013

Resolution No. 6
Amendment in the Employee Stock Option Scheme 2020

Signed this ………………………………… 2022

Affix Revenue Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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Annexure A

TERMS OF ISSUANCE OF OCDs

1. **Face value and issue price**

Face value: Each OCD shall be issued by the Company at a face value of INR 2,829.04 (Indian Rupees two thousand eight hundred twenty nine and four paise).

Application amount: Per OCD, INR 140 (Indian Rupees one hundred and forty) shall be payable at the time of application for subscription & allotment of such OCD,

Balance Amount : Remaining INR 2,689.04 (Indian Rupees two thousand six hundred eighty nine and four paisa) per OCD may be paid by the OCD holder at its sole discretion at any time; provided, that an OCD is required to be made fully paid-up prior to conversion of such OCD into Equity Share(s) in accordance with Paragraph 3 below.

2. **Interest**

On and from the date of allotment of the OCDs, the holder of OCDs shall be entitled to receive interest on each OCD held by it, at an interest rate of 8% (eight percent) per annum on the paid- up amount of the OCD. Subject to the Business day convention, The interest shall be payable on a quarterly basis, on the last date of each calendar quarter.

3. **Conversion and redemption**

3.1. Every OCD is eligible to be converted into one Equity Share of the face value of Rs 10 each. At any time after 30 (thirty) days from the date of allotment of the OCDs and subject to approval of the Board, but only upon the OCD becoming fully paid-up, the OCD holder shall have the right ("Conversion Option"), which may be exercised at its sole discretion (subject to the approval mentioned above), to convert any or all of the OCDs held by it and which are so fully paid-up, into Equity Shares by issuing a written notice to the Company (the "Conversion Notice"). Each OCD shall, subject to Paragraphs 6 and 7 below, be convertible into one Equity Share. The Company shall, within 30 (thirty) days from the date of receipt of Conversion Notice (and subject to the approval of the Board mentioned above), issue and allot such number of Equity Shares as determined based on the conversion ratio specified in this Paragraph 3.1.

3.2. The Equity Shares, if any, issued and allotted to the OCD holder pursuant to the conversion of the OCDs in accordance with the terms and conditions hereof will be identical to and rank pari-passu in all respects with the then existing Equity Shares, with reference to all rights and benefits appertaining thereto, including but not limited to voting rights, dividends, stock splits, bonus and/or rights issuance and so on and shall be subject to the provisions of the Restated Shareholders Agreement dated 24.12.2021 ("**SHA**").

3.3. If the conversion of the OCDs is not approved by the Board (such OCDs, the "Outstanding OCDs"), then the Company shall redeem the Outstanding OCDs on a date that is the 2nd (second) Business Day ("Redemption Date"), and pay a redemption amount equal to the aggregate of the amount paid- up on, and any accrued but unpaid interest payable in respect of, the Outstanding OCDs.

3.4. Without prejudice to the obligation of the Company to mandatorily redeem all the OCDs on the Redemption Date, the OCD holder shall have the right (but not the obligation) to require the Company to redeem, at any time after 30 (thirty) days from the date of allotment of the OCDs, any or all of the OCDs held by such OCD holder, by issuing a written notice to the Company (the "Redemption Notice"). The Company shall, within 30 (thirty) days from the date of receipt of the Redemption Notice, redeem such number of OCDs as specified in the Redemption Notice and pay a redemption amount equal to the aggregate of the amount paid-up on such OCDs and any accrued but unpaid interest payable in respect of such OCDs.

3.5. It is clarified that OCDs shall not be required to be made fully paid up prior to redemption and the Company shall be required to redeem OCDs in accordance with Paragraph 3.3 or Paragraph 3.4 above (as applicable) above, irrespective of whether the OCDs are fully paid up or not.

3A It is further clarified that if the due date with respect to: (a) the repayment of any principal outstanding with respect to the OCDs falls on a day which is not a Business Day, then the repayment shall be due on the immediately preceding Business Day; and (b) any interest payment with respect to the OCDs falls on a day which is not a Business Day, then the interest payment shall become due on the immediately succeeding Business Day ("Business day convention").

4. **Voting Rights**

The OCDs shall not carry any voting rights, except upon their conversion into Equity Shares in accordance with Paragraph 3 above.

5. **Transferability**

The OCDs may be transferred subject to the provisions of the SHA.

6. Adjustment

If the Company undertakes any form of restructuring of its share capital ("Capital Restructuring") including but not limited to: (a) consolidation or sub-division or splitting up of its Shares; (b) issue of bonus shares; (c) issue of Shares in a scheme of arrangement (including merger, amalgamation or demerger); (d) capital reduction, buy-back; (e) reclassification of Shares or variation of rights into other kinds of securities; (f) any distribution to holders of Equity Shares (other than dividend by way of cash); (g) cancellation, recapitalization; or (h) creation of a new class of Shares, then, the number of Equity Shares that each OCD shall convert into shall be adjusted accordingly in a manner that the holders of the OCDs receive such number of Equity Shares as would represent the same economic interest in the Company that the holders of OCDs would have been entitled to receive immediately after occurrence of any such Capital Restructuring had the conversion of the OCDs occurred immediately prior to the occurrence of such Capital Restructuring.

7. Anti-dilution

A broad based weighted average anti-dilution protection will be available to the holders of the OCDs in the manner provided in Clause 5.5 of the SHA, which shall apply mutatis mutandis to the holders of the OCDs, and shall be implemented through an adjustment to the conversion ratio of the OCDs set out in Paragraph 3.1 above.

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8. Amendment

(a) The rights, privileges and conditions attached to the OCDs may not be varied, modified or abrogated without prior written consent of the OCD holder, and the same shall be undertaken in accordance with the provisions of Applicable Law and the SHA.

(b) If, at any time any OCDs held by an OCD holder are required to be relinquished for reasons not attributable to such holder, and as a result, corresponding optionally convertible debentures or other securities are subsequently issued to such OCD holder in lieu of such relinquishment at an issue price which exceeds the issue price set forth in Paragraph 1 above (such excess amount, the "Excess"), then, the Excess shall be to the account of the Company and not the relevant OCD holder.

9. Stamp Duty

The Company shall pay all stamp, issue, registration, documentary or other similar Taxes and duties, and other expenses payable on or in connection with the creation, issue and allotment of the OCDs and the Equity Shares issuable upon conversion of the OCDs or the admissibility in evidence in India of the terms and conditions set out herein.

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Annexure –B

NAMES OF THE PROPOSED ALLOTTEES AND THE PERCENTAGE OF THE POST PREFERENTIAL OFFER CAPITAL THAT MAY BE HELD BY THEM

S. No.	Name of the proposed allottee	Number of securities offered	% of shareholding post-issue
1.	Sanjay Chaturvedi	2,380 (two thousand three hundred and eighty) OCDs	0.04
2.	Rupa Basu	17,520 (seventeen thousand five hundred and twenty) OCDs	0.30

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Annexure – C

THE PRE ISSUE AND POST ISSUE SHAREHOLDING PATTERN OF THE COMPANY

(Per sub clause (xiii) of clause (d) sub-rule 2 of rule 13 of Companies (Share capital and Debentures) Rules, 2014)

Sl. No.	Category	Pre Issue					Post Issue				
		No. of equity shares held	No. of preference shares held	Shareholding %	No. of optionally convertible debentures held	Shareholding % on fully diluted basis	No. of equity shares held	No. of preference shares held	% of Shareholding	No. of optionally convertible debentures held	Shareholding % on fully diluted basis
A	Promoter's Holding										
1	Indian										
	Individual	500,000	0	8.75	1,43,324	2.51	500,000	0	8.72	1,63,224	2.84
	Body Corporate	-	-	-	-	-	-	-	-		
	Sub Total	500,000	0	8.75	143,324	2.51	500,000	0	8.72	1,63,224	2.84
2	Foreign Promoters	-	-				-	-		-	-
	Sub Total (A)	500,000	0	8.75	1,43,324	2.51	500,000	0	8.72	1,63,224	2.84
Sl. No.	Category	Pre Issue					Post Issue				
		No. of equity shares held	No. of preference shares held	% of Shareholding			No. of equity shares held	No. of preference shares held	% of Shareholding		
B	Non- Promoters holding										
1	Institutional investors	-	-	-	-	-	-	-	-	-	-
2	Non-institutional investors										
	Private Corporate bodies +	2,47,821	21,11,521	41.28	-	-	7,46,515	12,09,766	34.11	-	-
	Directors and relatives	-	-	-	-	-	-	-	-	-	-
	Indian Public	-	-	-	-	-	-	-	-	-	-
	Others (Including Non-resident Indians (NRIs))++	1,95,869	23,88,848	45.22	-	-	7,67,667	22,20,111	52.10	-	-
	ESOP pool	127,889	-	2.24	-	-	127,889	-	2.23	-	-
	Sub -total (B)	5,71,579	45,00,369	88.74	-	-	16,42,071	34,29,877	88.44	1,63,224	2.84
	Grand Total	10,71,579	45,00,369	97.49	143,324	2.51	21,42,071	34,29,877	97.16	1,63,224	2.84

3rd Floor, C - 11, Community Centre
Janak Puri, New Delhi-110 058

Ph.: +91 11 4914 9740
E-mail: info@sundaecapital.com
www.sundaecapital.com

Annexure D

May 04, 2022

To,
The Board of Directors
Shubham Housing Development Finance Company Limited
D-305, Ground Floor, Sarvodaya Enclave
New Delhi 110017

Subject: Report on fair valuation of shares of Shubham Housing Development Finance Company Limited

Dear Members,

This is in accordance with the terms of reference set out in our engagement letter (referred to as "EL"), wherein Sundae Capital Advisors Private Limited (referred to as "**Sundae**" or "**We**") has been requested by Shubham Housing Development Finance Company Limited ("SHDFCL" or "the Client") in relation to carrying out a valuation of shares of Shubham Housing Development Finance Company Limited (or the "**Company**").

INTRODUCTION: SUNDAE CAPITAL ADVISORS PRIVATE LIMITED

Sundae Capital Advisors Private Limited is registered with SEBI as Category I Merchant Banker "Merchant Banker" and with IBBI as Registered Valuer (Securities or Financial Assets) "Registered Valuer". We are engaged in providing Merchant Banking, Valuation, Corporate Advisory and Transaction services and Stock Incentive Plan Advisory services to our clients.

PURPOSE OF VALUATION AND APPOINTING AUTHORITY

With reference to discussion with Management of the Company, we have been appointed in the capacity of Registered Valuer to derive the fair value of Shares of the Company. We understand that the management requires the valuation report for the purpose of calculating fair value of its securities in terms of the provisions of provisions of Section 42 of the Companies Act, 2013 "CA-2013" and the rules issued thereunder for the proposed issuance of Optionally Convertible Debentures "OCDs" also this report can be relied upon by receiver, seller and issuer of shares along with their respective advisors/consultants.

BACKGROUND INFORMATION OF THE ASSET BEING VALUED

Shubham Housing Development Finance Company Limited incorporated on 23 February 2010. It is classified as non-govt company and is registered at Registrar of Companies, Delhi. Shubham is a leader in providing housing finance solutions to those with informal incomes. They are amongst the first organizations in India to transcend from document-based underwriting to customized credit programs for each customer and have become a leading home loan provider at low interest.

BASIS & PREMISE OF VALUE

This Valuation is based on "Fair Value" as at the Valuation Date and the Premise of Value is "Going concern".

The basis of value describes the type of value being measured and considers the perspectives of the parties to the assumed transaction.

The premise of value is driven by the purpose of the valuation and basis of value used, and generally falls into the following categories:

- A going concern premise is the most common premise of value; it presumes the continued use of the assets, and that the company would continue to operate as a business.
- An orderly or forced liquidation premise incorporates an in-exchange assumption (i.e., the assets are operated or sold individually or as a group, not as part of the existing business).

The generally accepted definition of "Fair Value" or "Market Value" is the value as applied between a hypothetical willing vendor and a hypothetical willing prudent buyer in an open market and with access to all relevant information.

DISCLOSURE AND VALUER INTEREST / CONFLICT

We do not have any interest or conflict of interest of any kind with the Company, with respect to the valuation being undertaken by us, except the shareholding of our Company / the Director signing this report in the Client as under:

Name	No. of shares held
Sundae Capital Advisors Private Limited	N/A
Sourabh Garg	N/A

Our fee for this assignment is based on the engagement with the Client and not contingent upon the result or the value of business or in any other manner.

DATE OF APPOINTMENT, VALUATION AND REPORT

Date of Appointment	April 27, 2022
Date of Valuation	March 31, 2022
Date of Report	May 04, 2022

SOURCE OF INFORMATION AND REPRESENTATIONS

For the purpose of deriving the fair value of Shares of the Company, we have relied on the discussions with the Management of the Company and the following information and documents made available to us:

- Audited Financials of the Company as on March 31, 2021
- Provisionals financial statements of the Company as on March 31, 2022
- Projected financials of the Company till FY 31.
- Shareholding on fully diluted basis as on Valuation date.

- Information and explanations given by management.
- Other information as available in public domain.

We have appropriately reviewed, obtained explanations and information considered reasonably necessary for exercise from the executives and representatives of the Company. We have also obtained explanations on the basis of key assumptions used in financial projections of the Company.

The Company has been provided with the opportunity to review the draft valuation report (excluding the fair value) for this engagement to make sure that factual inaccuracies are avoided in our final valuation report. Our analysis considers those facts and circumstances present at the Company at the valuation date. Our opinion would most likely to be different if another valuation date was used.

Further, this report is subject to the scope, assumptions, exclusions, caveats, limitations and **disclaimers** detailed hereinafter in Annexure A. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

INSPECTIONS AND /OR INVESTIGATIONS UNDERTAKEN INCLUDES

- Analysis of the Company's historical operating results;
- Review of general financial market conditions, including those for its industry;
- Review of its website;
- Such other information we considered relevant to forming our opinion.

The investigation also included discussions with the Company's management concerning the history and nature of the business, its financial condition, and its future prospects. In the course of the study, we used financial and other information provided by the Company, or obtained from private and public sources we believe to be reliable. Our conclusions are dependent on such information being complete and accurate in all material respects. However, we have not examined such information and, accordingly, do not express an opinion or any other form of assurance thereon.

PROCEDURE ADOPTED IN CARRYING OUT THE VALUATION AND VALUATION STANDARDS

We performed the following procedures and relied upon International Valuation standards and ICAI Valuation Standards to arrive at the value of the Company

- Identified the nature of the business and reviewed the history of the Company.
- Researched the general economic outlook and the outlook for the specific industry at the date of the valuation.
- Collected the Company's relevant financial statements.
- Compared the Company's financial ratios and common-size financial statements to industry guideline data to identify any significant variances.
- In the absence of Audited Financials of the Company, the reports as provided by the management of the Company was relied upon.
- Developed risk-adjusted Capitalization and Discount Rates to apply to the Company's historic and projected earnings, respectively.

APPROACHES TO VALUATION

In developing the valuation, the three most common valuation approaches used globally are:

- Income (Income-based) approach
- Market (Market-based) approach
- Asset (Asset-based) approach (used for businesses, business ownership interests, and securities) or cost approach (used for intangible assets)

Income Approach

A general way of determining a value indication of a business, business ownership interest, security, or intangible asset by using one or more methods through which anticipated benefits are converted into value. Methods include discounted cash flow.

Market Approach

A general way of determining a value indication of a business, business ownership interest, security, or intangible asset by using one or more methods that compare the subject to similar businesses, business ownership interest, securities, or intangible assets that have been sold, or if shares are frequently trading, traded price of same can be considered. Methods include Peer trading multiple and frequently traded share price.

Asset Approach

A general way of determining a value indication of a business, business ownership interest, security, or intangible asset using one or more methods based on the value of the assets net of liabilities. Methods include net asset value.

SELECTION OF APPROACH AND VALUATION METHOD

With reference to discussion with management and explanations provided by them along with our assessment, keeping in mind the context and purpose of valuation, we considered DCF method (based on financial information prepared by the management of company) for valuation, as it captures the growth potential of business going forward and in case of entity with continuing operations on going concern basis value lies in future.

The calculation for the same is enclosed as Annexure B to this report. The said valuation is based on the generally accepted principles and methods followed internationally and on arms-length basis.

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CONCLUSION

Based on our analysis, as described in the valuation report, and subject to the assumptions presented herein, in our opinion the estimated fair value per share on fully diluted basis of the Company as on March 31, 2022 is **INR 2,829.04** (Indian Rupees Two Thousand Eight-Hundred Twenty-Nine and Paisa Four Only).

We have no obligation to update this report or our conclusion of value for information that comes to our attention after the date of report.

for ***Sundae Capital Advisors Private Limited***
(IBBI Regn. No IBBI/RV-E/03/2021/136)

SUNDAE

Digitally signed by
SOURABH GARG
Date: 2022.05.04
17:26:24 +05'30'

Sourabh Garg
Director
Registered Valuer (S&FA)
Reg. No. IBBI/RV /03/2020/12806

Caveats, Limitations and Disclaimers

- This is only a valuation report and not to be used for undertaking any buy or sell decision.
- While carrying out the valuation We have relied upon and considered the information and representations made available by the management.
- We have assumed such representations to be reliable and our conclusions are dependent on such information being complete and accurate in all material respects and nothing has come to our attention to cause us to believe that the facts and data taken for the purpose are not correct. We neither required, nor have independently verified, or carried out a due diligence or detailed appraisal of the management's information, explanations and data submitted to us for the purpose of this valuation. We have reviewed these information & data for broad consistency.
- While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the client existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.
- The conclusion of value arrived at herein is based on the assumption that the current level of management expertise and effectiveness would continue to be maintained, and that the character and integrity of the enterprise through any sale, reorganization, exchange, or diminution of the owners' participation would not be materially or significantly changed. We do not provide assurance on the achievability of the results forecasted by the client because events and circumstances frequently do not occur as expected; differences between actual and expected results may be material; and achievement of the forecasted results is dependent on actions, plans, and assumptions of management.
- It has been confirmed to us that there are no events and / or demands, decisions - legal or otherwise against the company, which are likely to affect materially the state of the balances of accounts as on the valuation date and/or the future profits of the Companies.
- This report has been prepared on the understanding that the management has drawn our attention to all the matters concerning the company's financial position and other matters, which may have an impact on the company's future business.
- Our views are necessarily based on economic, market, and other conditions currently in effect, and the information made available to us, as of the date hereof. It should be understood that subsequent developments may affect our views and that we do not have any obligation to update, revise, or reaffirm the views expressed in the Report. Nothing contained within the Report is or should be relied upon as a promise or representation as to the future. Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as at the Valuation date.
- For the purpose of this assignment, we have not attempted a detailed due diligence review for various aspects i.e., commercial, operational, financial, legal, environmental, etc.
- We have not audited or carried out any detailed analysis of the profitability and cash flow projections as made available to us by the management.
- No investigation of the title of the assets and liens / encumbrances thereon has been made and owner's claim to the assets has been assumed to be valid.
- This report does not constitute an offer or invitation to any section of the public to subscribe for or to purchase any securities in or assets or liabilities of the above-mentioned companies.
- While we have provided the valuation report based on information available to us and within the scope of our limitations solely for the purpose as mentioned in the report. The decision to agree upon the final valuation lies solely with the Company.

- We have acted as independent entity for this engagement and will receive professional fees for our services. In the ordinary course of business, Sundae is engaged in merchant banking business including corporate advisory, re-structuring, etc and valuations. We may be providing various other unrelated independent professional advisory services to the Client in the ordinary course of our business.
- This report is confidential for use of the persons to whom it is issued and can be used and relied upon by other parties involved and may be produced before regulatory authorities, as may be required, in connection with the purpose outlined above. It must not be copied, disclosed, circulated or quoted without our prior consent for reasons other than mentioned in the Purpose section of this report.
- In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the client or companies, their directors, employees or agents, we have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.
- The report assumes that the company complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the balance sheet provided to me.
- We are fully aware that based on the opinion of value expressed in this report, We may be required to give testimony or attend court / judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and our tendering evidence before such authority shall be under the applicable laws.
- The Fair Valuation have been performed on the basis of financial information provided by management. In the absence of financials as of the valuation date and based on representation given by the management, we have considered financials as on the last available financial statements as a base year for the valuation, valuation report may change post availability of financials as on the valuation date or such information.
- The valuation report is tempered by the exercise of judicious discretion by us and judgment taking into account the relevant factors. There will always be several factors, e.g., management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the Balance Sheet but could strongly influence the value.

Annexure B

All Figures in INR Crore

Particulars	FY23	FY24	FY25	FY26	FY27
Discounting Factor- Mid Year	0.50	1.50	2.50	3.50	4.50
PAT	80.26	143.06	256.40	392.21	610.48
Add: ESOP Expenses	6.08	6.26	6.59	1.86	4.77
Add: Depreciation	3.27	3.64	3.20	3.26	3.57
Capex	-6.40	-5.80	-6.79	-6.19	-5.94
Changes in Debt	780.53	1,488.70	2,826.72	2,153.35	2,811.02
Changes in Loans and Advances	-1,157.45	-1,702.80	-2,777.01	-4,008.70	-3,497.62
Changes in Non-Cash Working Capital	-50.10	46.72	-114.52	-17.11	171.02
FCFE	-343.81	-20.22	194.58	-1,481.32	97.30
Terminal value					
Discount Rate	16.90%	16.90%	16.90%	16.90%	16.90%
Discounting Factor- Mid Year	0.92	0.79	0.68	0.58	0.50
Discounted Cash flows	-317.99	-16.00	131.69	-857.63	48.19

Particulars	FY28	FY29	FY30	FY31	Sustainable Annualized Cash flows
			Perpetuity Growth %		5%
Discounting Factor- Mid Year	5.50	6.50	7.50	8.50	
PAT	812.27	1,034.70	1,372.24	1,914.02	2,161.77
Add: ESOP Expenses	5.73	6.87	8.25	9.90	9.90
Add: Depreciation	3.95	4.47	5.36	6.43	6.43
Capex	-6.53	-7.84	-8.62	-9.48	-6.43
Changes in Debt	4,736.71	5,617.39	6,452.06	8,768.79	8,700.00
Changes in Loans and Advances	-5,422.98	-6,323.68	-7,517.10	-10,084.45	-10,000.00
Changes in Non-Cash Working Capital	35.39	10.68	37.72	9.48	-
FCFE	164.54	342.58	349.90	614.70	871.67
Terminal value					7,324.95
Discount Rate	16.90%	16.90%	16.90%	16.90%	16.90%
Discounting Factor- Mid Year	0.42	0.36	0.31	0.27	0.27
Discounted Cash flows	69.71	124.16	108.48	163.02	1,942.59

Sum of Discounted Cash flows	1,396.22
Add: Cash	158.65
Add: Non-current investments (Investment in SR)	51.35
Add: Cash inflow on exercise of ESOPs	14.91
Add: Tax Benefit on Depreciation	1.37
Equity Value	1,622.50
Number of Shares in Fully diluted basis	57,35,172
Value per share (INR)	2,829.04

Calculation of Cost of Equity

Particulars	
Risk-Free Rate (Rf)	7.1%
Equity Risk Premium (Rp)	8.7%
Re- levered Beta (B)	0.90
Cost of Equity (A) = (Rf + Rp*(B))	14.9%
Company specific risk premium (C)	2.0%
Cost of Equity (D) = ((A)+(C))	16.9%