shubham

# NOTICE

Shorter Notice is hereby given that the 14th Annual General Meeting (AGM) of the Members of Shubham Housing Development Finance Company Limited will be held at its Registered Office at 608-609, 6th Floor, Block-C Ansal Imperial Tower, Community Center, Naraina Vihar, New Delhi-110028 on Thursday the 17$^{th}$ day of August, 2023 at 09.30 AM to transact the following businesses:

## 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 2023, 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.

**Item No. 3 – Re-appointment of Mr. Manoj Jaiswal, Director**

To consider re-appointment of Mr. Manoj Jaiswal, DIN: 07873564, Nominee Director of PI Opportunities Fund, 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.

## SPECIAL BUSINESS:

**Item No 4 - To regularize appointment of Mr. Saravanan Nattanmai as Non-Executive Nominee Director**

To regularize the appointment of Mr. Saravanan Nattanmai (DIN: 06989767) as Non-Executive Nominee Director of the Company and in this regard, to consider, review and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160, 161, 162, 178(2) and other applicable provisions, if any, of the Companies Act, 2013 (the "**Companies Act**"), Rule 8 and Rule 13 of the Companies (**Appointment and Qualification of Directors**) Rules, 2014, and other applicable rules if any, made thereunder (including, in each case, any amendment thereto, or re-enactment thereof, for the time being in force), applicable provisions of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (the "RBI HFC Directions") issued by the Reserve Bank of India (the "**RBI**"), the approvals of the RBI dated March 23, 2022 and April 22, 2022, and other applicable laws and regulations for the time being in force, the provisions of the share subscription agreement dated December 24, 2021 executed by and between the Company, British International Investment plc (formerly known as CDC Group plc) ("**BII**"), Asian Development Bank ("**ADB**"), Topaz Inclusion PTE. Ltd. ("**LF**"), PI Opportunities Fund – I

Scheme II ("**PIOF II**") (BII, ADB, LF and PIOF II collectively the "**Investors**"), Sanjay Chaturvedi ("**Sanjay**"), Rupa Basu ("**Rupa**") (Sanjay and Rupa collectively called the "**Promoters**") (the "**SSA**") and the shareholders' agreement dated December 24, 2021 executed by and between the Company, Sanjay Chaturvedi, Rupa Basu, the Investors, Helion Venture Partners II LLC, Motilal Oswal Financial Services Limited ("MOFSL"), Shubhmo Employee Trust, erstwhile Mope Investment Advisors Private Limited ("MOPE") (pursuant to a scheme of arrangement between Passionate Investment Management Private Limited, MOPE, Motilal Oswal Real Estate Investment Advisors Private Limited, Motilal Oswal Real Estate Investment Advisors II Private Limited, the MOFSL and their respective shareholders sanctioned by the National Company Law Tribunal, Mumbai bench, by order dated March 11, 2022: (a) MOPE has been merged into MOFSL and MOPE has ceased to exist, with effect from March 30, 2022; and (b) the investments held by MOPE have been transferred to MOFSL and MOFSL has acquired the 15 (fifteen) equity shares held by MOPE), India Business Excellence Fund – IIA, PI Opportunities Fund I, PI Opportunities Fund I Scheme II, British International Investment plc (formerly known as CDC Group plc), Asian Development Bank and Topaz Inclusion PTE. Ltd. (the "SHA"), applicable provisions of the articles of association of the Company and the Nomination and Remuneration Policy of the Company, and based on the recommendation of the Recruitment, Compensation and Nomination Committee (the "**RCNC**") of the board of directors of the Company (the "**Board**"), and on the recommendations of board of Directors of the Company, Mr. Saravanan Nattanmai (DIN: 06989767), who has given his consent to act as a director, and in respect of whom a notice in writing under Section 160 of the Companies Act was received from PIOF, be and is hereby appointed as a non-executive non-independent director of the Company with effect from March 31, 2023 , who shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** Mr. Sanjay Chaturvedi, Director, Ms. Rupa Basu, Director, Mr. Vishal Kanodia , CFO, and Ms. Neeta Kamra, Company Secretary be and are hereby jointly and severally authorized to do all such acts, deeds and things and execute, sign and file all required documents, instruments, returns and forms as may be necessary including making any entries required to be made in the other statutory registers of the Company and other records of the Company, issuing certified extracts of such registers or records to the Investors or any other person as may be required, making consequential entries, modifications, and making all required filings (including Form. No. DIR- 12) under applicable statues, laws and regulations, with the concerned Registrar of Companies, to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** Mr. Sanjay Chaturvedi, Director, Ms. Rupa Basu, Director, Mr. Vishal Kanodia, CFO or Ms. Neeta Kamra, Company Secretary, are hereby jointly and severally authorized, to do all such acts, deeds and things necessary to give effect to this resolution.

**Item no. 5- Re-appointment of Ms. Rupa Basu as Whole Time Director**

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

"**RESOLVED THAT** pursuant to Section 196, 197 and 203 read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification(s) or re-enactment thereof) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, approval of the shareholders of the

Company be and is hereby accorded for the re-appointment of Ms. Rupa Basu, Director (holding DIN 08068918) as a Whole-Time Director of the Company for a period of 5 years commencing from November 13, 2023 till November 12, 2028, not liable to retire by rotation, at a remuneration and other terms and conditions as may be fixed by Board or Recruitment, Compensation and Nomination Committee of Board or any other appropriate Committee, called by whatsoever name, subject to the consolidated yearly remuneration not exceeding Rs. 5,00,00,000/- (Rupees Five crores) inclusive of remuneration(s) payable directly or otherwise or by way of salary and perquisites, performance-based rewards/ incentives for the period of 3 years from November 13, 2023 to November 12, 2026.

**RESOLVED FURTHER THAT** the Board and Committee be and is severally authorized to settle all questions, difficulties or doubts that may arise in this regard, at any stage, alter and vary the terms and conditions of re-appointment without seeking any further consent or approval of the shareholders.

**FURTHER RESOLVED THAT** over and above such remuneration, Ms. Rupa Basu will be eligible to receive –

1. Such other benefits as available to him being an employee and/or a Director of the Company, such as insurance cover, gratuity, PF, leave encashment, etc.
2. Reimbursements towards expenses incurred for Company work including travel, conveyance, telephone, etc., and other expenses incurred in the course of discharging his duties at actuals, and
3. Reimbursements towards entertainment and other expenses incurred for business promotion/development, not exceeding Rs. 6,00,000/- per annum.

**RESOLVED FURTHER THAT** Mr. Sanjay Chaturvedi, Director and/or Mr. Vishal Kanodia, Chief Financial Officer and/or Ms. Neeta Kamra, Company Secretary of the Company, be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution, including to delegate this power."

**Item no. 6- Sub-division of equity shares from the Face Value of Rs. 10/- to Re. 1/- per share and Preference Shares from the Face Value of Rs. 10/- each and Rs. 20/- each to Re. 1/- and Rs. 2/- respectively**

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

**RESOLVED THAT** pursuant to the provisions of Sections 61 (1) (d), 64 of the Companies Act, 2013 ('the Act'), Companies (Share Capital and debentures) Rules, 2014 and other applicable provisions, if any of the Act (including any statutory modification or re-enactment thereof, for the time being in force) and the provisions of Memorandum of Association and Articles of Association of the Company, and subject to such other approvals, consent, permissions as may be necessary from the appropriate authorities or regulatory bodies, the Equity Shares of the Company having a face value of Rs. 10/- each and Preference Shares having the face value of Rs. 10/- each and Rs. 20/- each in the Authorized, Issued and Subscribed share capital of the Company be and are hereby sub-divided into 10 (Ten) Equity Shares having a face value of Re. 1/- each fully paid-up, 10 (Ten) Preference Shares having the face value of Re. 1/- each fully paid-up and 10 (Ten) Preference Shares having the face value of Rs. 2/- each fully paid-up('sub-division').

**RESOLVED FURTHER THAT** pursuant to the sub-division of the equity shares of the Company, all the issued, subscribed and paid up equity shares of face value of Rs. 10/- (Rupees Ten only) each of the Company existing on the record date, as may be fixed by the Company, shall stand sub-divided into equity shares of face value of Re. 1/- (Rupees One only) each fully paid up, as given below, without altering the aggregate amount of such capital and such sub-divided shares shall rank pari passu in all respects with each other.

**RESOLVED FURTHER THAT** pursuant to the sub-division of the preference shares of the Company, all the issued, subscribed and paid up preference shares of face value of Rs. 10/- (Rupees Ten only) each and Rs. 20/- (Rupees Twenty Only) each of the Company existing on the record date, as may be fixed by the Company, shall stand sub-divided into preference shares of face value of Re. 1/- (Rupee One only) each fully paid up and Rs. 2/- (Rupees Two Only) each fully paid up, as given below, without altering the aggregate amount of such capital and such sub-divided shares shall rank pari passu in all respects with each other.

| | **Pre sub-division** | | | **Post sub-division** | | |
|---|---|---|---|---|---|---|
| Particulars | No. of Shares | Face Value per share[#] | Total Share Capital[#] | No. of Shares | Face Value per share[#] | Total Share Capital[#] |
| **Authorised Share Capital** | | | | | | |
| Equity Share Capital | 27,00,000 | 10/- | 270,00,000 | 270,00,000 | 1/- | 270,00,000 |
| Preference Share Capital | 50,00,000 | 10/- | 500,00,000 | 500,00,000 | 1/- | 500,00,000 |
| Preference Share Capital | 21,50,000 | 20/- | 430,00,000 | 215,00,000 | 2/- | 430,00,000 |
| | | **Total** | **1200,00,000** | | **Total** | **1200,00,000** |
| **Paid up share capital** | | | | | | |
| Equity Share Capital | 20,29,202* | 10/- | 202,92,020 | 202,92,020* | 1/- | 202,92,020 |
| Preference Share Capital | 34,29,877 | 10/- | 342,98,770 | 342,98,770 | 1/- | 342,98,770 |
| Preference Share Capital | 21,20,844 | 20/- | 424,16,880 | 212,08,440 | 2/- | 424,16,880 |
| | | **Total** | **970,07,670** | | **Total** | **970,07,670** |

[#]figures in Rs.
*includes ESOPs exercised

**RESOLVED FURTHER THAT** upon sub-division of equity shares as aforesaid, the existing equity shareholders shall be credited with 10 equity shares of face value of Re. 1/- per share for 1 equity share of face value of Rs. 10/- held by them into their respective beneficiary account(s) maintained by them with their respective depository participants and the Company shall undertake such corporate actions as may be necessary in relation to the existing equity shares of the Company.

**RESOLVED FURTHER THAT** upon sub-division of preference shares as aforesaid, the existing preference shareholders shall be credited with 10 preference shares of face value of Re. 1/- per share for 1 preference share of face value of Rs. 10/- or 10 preference shares of face value of Rs. 2/- per share for 1 preference share of face value of Rs. 20/-, as the case may be, held by them into their respective beneficiary account(s) maintained by them with their respective depository participants and the Company shall undertake such corporate actions as may be necessary in relation to the existing preference shares of the Company.

**RESOLVED FURTHER THAT** Company or its Authorized officers (as given below) without requiring to seek consent of the shareholders or Board be and is hereby authorized to make appropriate adjustments in the conversion ratios of the convertible instruments namely Employee Stock Options (ESOPs) and Optionally Convertible Debentures (OCDs) issued by the Company to ensure that there is no dilution or enlargement of the benefits to the holders of convertible instruments and to restore the benefits of holders of these convertible instruments to their original state which they were enjoying before the aforesaid sub-division of shares.

**RESOLVED FURTHER THAT** Mr. Sanjay Chaturvedi, Director, Ms. Rupa Basu, Director, Mr. Vishal Kanodia, Chief Financial Officer and Ms. Neeta Kamra, Company Secretary ("Authorized Officers"), be and are hereby, severally authorized to do all acts necessary to give effect to this resolution including but not limited to the fixation of record date for the aforesaid purpose, execution of corporate action and other necessary documents/forms with depository(ies), filing necessary forms with ROC and intimating to Regulatory Bodies and other authorities as the case may be and to do all such acts, deeds and things as may be necessary to give effect to this resolution and to settle questions, difficulties, doubts or queries that may arise with regard to the sub-division of the shares as aforesaid or for any matters connected therewith or incidental thereto without required to seek any further consent or approval from shareholders or Board of Directors of the Company."

**Item no. 7- Alteration of capital clause of Memorandum of Association of the Company**

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

**RESOLVED THAT** pursuant to Section 13 read with 61 of the Companies Act, 2013 and the rules framed thereunder and all other applicable provisions, if any, the provisions of Articles of Association and subject to the approvals, consents, permission and sanctioned as may be necessary from the appropriate authorities or bodies the consent of the members be and is hereby given to substitute the existing Clause V of the Memorandum of Association with the following clause

"V. The Authorized Share Capital of the Company is INR 12,00,00,000/- (Rupees Twelve Crores Only) divided into 270,00,000 (Two Crores Seventy Lakhs) Equity Shares of INR. 1/- (Rupee One Only) each and 500,00,000 (Five Crores) Preference Shares of INR. 1/- (Rupee One Only) each and 215,00,000 (Two Crores Fifteen Lakhs) Preference Shares of INR. 2/- (Rupees Two Only) each"

**RESOLVED FURTHER THAT** Mr. Sanjay Chaturvedi, Director, Ms. Rupa Basu, Director, Mr. Vishal Kanodia, Chief Financial Officer and Ms. Neeta Kamra, Company Secretary, be and are hereby, severally authorized to do all such acts, deeds, matters and things necessary or desirable in connection with or incidental to giving effect to the above resolution, including but not limited to signing and filing necessary documents/forms with the Registrar of Companies and to comply with all other requirements in this regard and to do all such acts, deeds and things as may be necessary to give effect to this resolution and to settle questions, difficulties, doubts or queries arising thereon without required to seek any further consent or approval from Board."

**Item no. 8- Approval of selling, assignment or otherwise dispose off its loan receivables/book debts up to Rs. 350 Crores in a financial year**

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

"**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with the applicable Rules framed thereunder ("the Act") and the applicable provisions of the Memorandum of Association and the Articles of Association of the Company and all other applicable laws, rules, regulations, guidelines of RBI/NHB and subject to such other consent(s) / permission(s) / sanction(s), as may be required, approval of members of the Company be and is hereby accorded to sell / assign, present and / or future loan receivables of the Company, to such persons / entities including but not limited to Banks and Financial Institutions, in such form and manner and upon such terms and conditions as the Board or any Committee thereof or any other person authorized in this regard, may determine and think fit, such that the aggregate amount of such sale / assignment transactions shall not exceed Rs. **350** crores (Rupees Three fifty crores), during a financial year.

**RESOLVED FURTHER THAT** Mr. Sanjay Chaturvedi, Director and/or Ms. Rupa Basu, Director and/or Mr. Vishal Kanodia, Chief Financial Officer and/or Ms. Neeta Kamra, Company Secretary of the Company ("Authorized Officers"), be and are hereby severally authorized to:

(a) negotiate and finalize terms and conditions of the such sale/assignment transaction(s) and to execute and deliver on behalf of the Company such documents / agreements /undertakings / indemnities / guarantees as may be required to complete the transaction and to accept such modifications there-in as deemed fit from time to time and matters incidental thereto;
(b) grant the Power of Attorney(s)/delegate powers, to do such act, deeds and things as the aforesaid Authorized Signatories in their absolute discretion may deem necessary or desirable in connection with the aforesaid transactions and matters incidental thereto;
(c) inform and / or seek approval / consent / waiver from concerned government / regulatory authorities /lenders /borrowers / others as may be required from time to time, in connection with the aforesaid transactions and matters incidental thereto;
(d) generally do any act or deed and thing as may be required, with power to settle all questions, difficulties or doubts that may arise in this regard, at any stage without being required to seek any further consent or approval of the Board to the end and intent that Board shall be deemed to have given its approval thereto expressly by the authority of this resolution, to complete the such sale/assignment transaction(s) and to give effect the aforesaid resolutions."

**Item no. 9- To approve amendments in Employees' Stock Option Plan 2013 ("ESOP 2013")**

**To consider, and if thought fit, to pass with or without modification, the following resolution as 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 2013 (ESOP Scheme 2013), 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** in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, sub-division/consolidation of shares and others, the Board or Recruitment Compensation and Nomination Committee of Board, as the case may be, be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure the fair and equitable benefits under ESOP Scheme 2013 are passed on to the eligible employees.

**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** Mr. Sanjay Chaturvedi, Director and/or Ms. Rupa Basu, Director and/or Mr. Vishal Kanodia, 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."

**Item no. 10- To approve amendments in Employees' Stock Option Plan 2020 ("ESOP 2020")**

**To consider, and if thought fit, to pass with or without modification, the following resolution as 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** in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, sub-division/consolidation of shares and others, the Board or Recruitment Compensation and Nomination Committee of Board, as the case may be, be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure the fair and equitable benefits under ESOP Scheme 2020 are passed on to the eligible employees.

**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** Mr. Sanjay Chaturvedi, Director and/or Ms. Rupa Basu, Director and/or Mr. Vishal Kanodia, 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."

**Item no. 11- To approve amendments in Employees' Stock Option Plan 2022 ("ESOP 2022")**

**To consider, and if thought fit, to pass with or without modification, the following resolution as 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 2022 (ESOP Scheme 2022), 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** in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, sub-division/consolidation of shares and others, the Board or Recruitment Compensation and Nomination Committee of Board, as the case may be, be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure the fair and equitable benefits under ESOP Scheme 2022 are passed on to the eligible employees.

**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** Mr. Sanjay Chaturvedi, Director and/or Ms. Rupa Basu, Director and/or Mr. Vishal Kanodia, 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

sd/-
Neeta Kamra
Company Secretary
Place: Gurugram
Date: 30.07.2023

**NOTES:**

1. Pursuant to Secretarial Standards on General Meetings, in respect of Directors seeking reappointment 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. Bodies corporate can be represented at the meeting by such person(s) as are authorized. Copies of resolution under section 113 of the Companies Act, 2013, authorizing such person(s) to attend the meeting should be shared to the Company on email id neeta.kamra@shubham.co prior to the meeting.
6. 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.
7. 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 General Meeting and at the Meeting also.
8. 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 Meeting.
9. The road map to the venue of the general meeting is enclosed to this Notice.

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

sd/-
Neeta Kamra
Company Secretary
Place: Gurugram
Date: 30.07.2023

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

## Item No 4:

Clause 3.2.2 of the Part B of Articles of Association (AoA) entitles PI Opportunities Fund (PIOF) to nominate 2 (two) director (who shall be a non-executive director) to the Board, subject to PIOF holding the requisite PIOF Director threshold specified under the AoA. Accordingly, PIOF had nominated two directors in the Board namely, Mr. Manoj Jaiswal, DIN 07873564 and Mr. Rahul Garg, DIN 06939695. Mr. Rahul Garg tendered his resignation to the Board w.e.f. from March 31, 2023 due to his sabbatical. To fill the vacancy caused by the resignation of Mr. Rahul Garg, PIOF nominated Mr. N V Saravanan, who based on the recommendations of Recruitment, Compensation and Nomination Committee (RCNC), was appointed by Board as Additional Director w.e.f. March 31, 2023.

RCNC before recommending the foregoing appointment of Mr. N V Saravanan as Director undertook a thorough and detailed assessment of the candidature of Mr. N V Saravanan for a directorship in the Company, including with reference to the Remuneration policy of the Company, and the requirements specified in the Companies Act, 2013 and Master Direction – Non- Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (the "RBI HFC Directions") issued by the Reserve Bank of India (the "RBI") to satisfy itself that Mr. N V Saravanan fulfils the fit-and-proper criteria prescribed under Chapter IX of the RBI HFC Directions, and scrutinized the declarations and other documents submitted by Mr. N V Saravanan pursuant to the requirements under the RBI HFC Directions Companies Act, 2013 and after the due deliberations, the RCNC through its resolution passed on 29.03.2023 recommended to Board for the candidature of Mr. N V Saravanan, following which Board by passing a resolution on 31.03.2023 appointed Mr. N V Saravanan as an Additional Director of the Company w.e.f. March 31, 2023. In furtherance of this, Board in its meeting held on 24.05.2023 recommended the regularization of appointment of Mr. N V Saravanan as Nominee Non-Executive Director of the Board.

Based on the foregoing, and being of the view that the continued association of Mr. N V Saravanan would be of immense benefit to the Company, Board recommends regularization of Mr. N V Saravanan as Nominee Non-Executive Director of the Company, in respect of whom Company has received his consent, disclosures and the notice under Section 160 of the Companies Act, 2013, by passing of resolution set out at Item No. 4 as Ordinary Resolution

None of the directors, except Mr. Manoj Jaiswal who belongs to the same Investor Group as the appointee belongs to and the appointee himself, or key managerial personnel of the Company, or the relatives thereof, are concerned or interested (financially or otherwise) in the proposed appointment.

## Details of the proposed director as required under the Secretarial Standard-2 issued by the Institute of Company Secretaries of India

| | |
|---|---|
| **Name of the Director** | Mr. Saravanan Nattanmai |
| **Category** | Non-executive non-independent director |

| | |
|---|---|
| **Director Identification Number (DIN)** | 06989767 |
| **Age** | 41 |
| **Nationality** | Indian |
| **Date of first appointment on the Board** | 31.03.2023 |
| **Qualifications** | M.Tech (IIT Mumbai), PGP in Management (ISB, Hyderabad) |
| **Brief profile including Experience** | Saravanan is a seasoned private equity professional with 17+ years of experience in VC/PE across sectors / stages and Corporate Strategy and Planning. He is currently working as Principal at Premji Invest and is responsible for leading investments in fintech and financial services sectors. Previously, he worked with AION Capital (JV between Apollo Global Management and ICICI Bank) and Nereus Capital and has worked across diverse sectors including fintech and financial services, consumer/retail, technology, and industrials.<br><br>Saravanan has done his Masters in Technology from IIT Bombay and PGP from Indian School of Business, Hyderabad. |
| **Terms & conditions of appointment** | His appointment to the Board is sought as a nominee of an investor- shareholder of the Company (i.e., PI Opportunity Fund I & II.). He shall hold this position at the pleasure of the investor- shareholder who nominated him and shall be liable to retire by rotation. His appointment in the Board is sought at nil remuneration. |
| **Details of remuneration sought to be paid and the remuneration last drawn** | No remuneration is sought to be paid to Mr. Saravanan Nattanmai in relation to his proposed directorship in the Company; however, the Company will be liable to reimburse the certain expenses incurred by Mr. Saravanan Nattanmai with respect to his attending meetings of Board and Committees thereof of which he is a member, in the manner specified in the SHA, as amended from time to time.<br><br><u>Last drawn remuneration</u>: Nil |
| **Number of shares held in the Company** | Nil. |

| | |
|---|---|
| **Number of Board meetings attended during the year** | Nil. |
| **List of the directorships held in other companies** | a. Microplastics Private Limited<br>b. Mplastics Toys and Engineering Private Limited<br>c. Verizone Venture Advisors Limited Liability Partnership |
| **Membership and chairmanship of committees of boards of directors of other companies, if any** | Nil |
| **Relationship with other directors, manager, and other key managerial personnel of the Company** | None |

**Item no. 5**

Ms. Rupa Basu has over 26 years of experience in Risk Management, Credit Underwriting, Portfolio Quality, Technology Development and Compliance. She has been associated with Shubham as a Director since 2018. Her valuable guidance and continued association in the Company shall be highly beneficial for the success of the Company.

The present terms of appointment of Ms. Basu as Whole Time Director are expiring on November 12,2023 and it would be appropriate to re-appoint her as a Whole Time Director of the Company for a period of 5 years with effect from November 13, 2023 to November 12, 2028. Subject to the approval of members, the Board of Director of the Company at its meeting held on 31.07.2023, on the recommendation of the "Remuneration, Compensation and Nomination Committee which was recommended by the Committee by way of circular resolution on 29.07.2023, approved the re-appointment of Ms. Basu as Whole Time Director of the Company for next 5 years from 13.11.2023 to 12.11.2028 and remuneration as may be fixed from time to time subject to the consolidated yearly remuneration not exceeding Rs. 5 Crores for the period of 3 years from 13.11.2023 to 12.11.2026.

**Remuneration proposed**: It is proposed to pay to Ms. Basu such remuneration for the period of 3 years from November 13, 2023 to November 12, 2026 as may be fixed by the Board or "Recruitment, Compensation and Nomination Committee" of the Board or any other appropriate Committee, called by whatsoever name, subject to:

a) Consolidated remuneration not exceeding Rs.5,00,00,000/- (Rupees five crores) per annum inclusive of remuneration(s) payable directly or otherwise or by way of salary and perquisites, performance-based rewards/ incentives.

b) Over and above remuneration mentioned above in point no. (a), following additional benefits shall be available: -

- Such other benefits as available to her being an employee and/or a Director of the Company, such as insurance cover, gratuity, PF, leave encashment, etc.

- Reimbursements towards expenses incurred for Company work including travel, conveyance, telephone, etc., and other expenses incurred in the course of discharging his duties at actuals, and
- Reimbursements towards entertainment expenses incurred for business development, not exceeding Rs. 6,00,000/- per annum.

Taking into consideration the size of the Company, the profile of Ms. Basu, the responsibilities shouldered by her and the industry benchmarks, proposed remuneration is commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses.

The following additional detailed information as per Section – II of Schedule V of the Companies Act, 2013 is as follows:

| | | |
|---|---|---|
| **I. General Information** | | |
| a) Nature of Industry | Housing Finance Sector | |
| b) Date or expected date of commencement of commercial production. | The Company was incorporated in 2010 and commenced its lending operations after obtaining NHB license in 24.01.2011 | |
| c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. | Not Applicable | |
| d) Financial performance based on given indicators | Financial year 2022-23<br>Gross Revenue: Rs. 448.94 Crs.<br>Profit after Tax: Rs. 91.76 Crs.<br>Rate of Dividend: Nil<br>Non-diluted Earnings per Share: 129.99 per share | |
| e) Foreign investments or collaborators, if any | Nil | |
| **II. Information about the appointee:** | | |
| a) Background Details | Ms. Rupa Basu is a Chartered Accountant by qualification. Previously, she has worked with Citibank N.A in India for over 16 years, handling various roles across retails assets and liabilities, post which she spent 3 years in India Mortgage Guarantee Corporation Private Limited as one of the key members of the senior leadership team that launched the mortgage guarantee product in India. Thereafter, she spent 2 years heading the enterprise risk management function in Shubham Housing Development Finance Company Limited. | |
| b) Past Remuneration | The remuneration drawn by Ms. Rupa Basu during the past two years is as follows: | |
| | Year | Remuneration (In Rs.) |
| | 2021-22 | 2,04,47,001/-p.a. |

shubham

<table>
<tr><td></td><td>2022-23</td><td>2,26,22,015 /- p.a.</td></tr>
<tr><td>c) Recognition or awards</td><td colspan="2">NIL</td></tr>
<tr><td>d) Job profile and his suitability</td><td colspan="2">She is a Wholetime Director of the Company who is involved in the management of the affairs of the Company on a day-to-day basis and exercises powers under the supervision and superintendence of the Board of the Company</td></tr>
<tr><td>e) Remuneration proposed</td><td colspan="2">It is proposed to pay to Ms. Rupa Basu such remuneration for the period of 3 years from November 13, 2023 to November 12, 2026 as may be fixed by Board of Directors on the recommendation of Recruitment Compensation Nomination Committee from time to time which shall however not exceed the consolidated amount of Rs. 5,00,00,000 /- (Rupees Five Crores only) per annum by way of salary and perquisites, performance-based rewards/ incentives etc.</td></tr>
<tr><td>f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person</td><td colspan="2">Considering the responsibility shouldered by her of the enhanced business activities of the Company, proposed remuneration is commensurate with industry standards and Board level positions held in similar sized and similarly positioned businesses.</td></tr>
<tr><td>g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any</td><td colspan="2">Beside the remuneration paid/payable to Ms. Rupa Basu, she is the promoter of the Company and holds 250000 equity shares in the Company; and<br><br>She also holds unsecured optionally convertible debentures as follows:<br><br>
<table>
<tr><th>No. of Unsecured optionally convertible debentures (OCDs)</th><th>Issue Price (in Rs.)</th><th>Paid up amount (in Rs.)</th></tr>
<tr><td>59598</td><td>1215</td><td>60</td></tr>
<tr><td>12064</td><td>1175</td><td>60</td></tr>
<tr><td>17520</td><td>2829.04</td><td>140</td></tr>
<tr><td>81834</td><td>2829.04</td><td>140</td></tr>
<tr><td>Total OCDs 171016</td><td></td><td></td></tr>
</table>
<br>Apart from these she does not have any other pecuniary relationship with the Company or with any managerial personnel.</td></tr>
<tr><td colspan="3">III. Other Information</td></tr>
<tr><td>a) Reasons of loss or inadequate profits</td><td colspan="2">Company is demonstrating good profit growth year on year and performing well on every front be it financial or operational. However, the maximum</td></tr>
</table>

| | |
|---|---|
| | amount of yearly remuneration which may be fixed and paid to the Wholetime Directors is likely to exceed the limits specified in Section 197, therefore Company proposes to obtain the approval of members for the higher limit of remuneration under Section II of Part II of Schedule V of Companies Act, 2013 where Companies having inadequate or no profits are covered. |
| b) Steps taken or proposed to be taken for improvement | Not Applicable |
| c) Expected increase in Productivity and profits in measurable terms | Not Applicable |

**Details of Director seeking appointment at General Meeting [pursuant to Secretarial Standards on General Meetings (SS- 2)]**

Below are the relevant details of Ms. Rupa Basu

| | |
|---|---|
| Age | 52 years |
| Qualifications | Chartered Accountant |
| Experience | More than 27 Years |
| Terms and conditions of appointment or re-appointment | a) Tenure of this appointment shall be five years with effect from November 13, 2023.<br>b) The Wholetime Director of the Company shall not be liable to retire by rotation. The Wholetime Director will be employed on a wholetime basis and will not be permitted to undertake any other business, work or public office, honorary or remunerative, except with the written permission of the Competent Authority in each case.<br>c) The Wholetime Director shall be entitled to such other privileges, allowances, facilities and amenities in accordance with rules and regulations as may be applicable to other employees of the Company and as may be decided by the Board, within the overall limits prescribed under the Act<br>d) The Wholetime Director will cease to be Director on cessation of his/her employment with the Company<br>e) The appointment shall be governed by Section 196, 197, 203 read with Schedule V of the Companies Act, 2013 and rules made thereunder |
| Last drawn remuneration | Rs. 2,26,22,015 /- p.a. |
| Date of first appointment on the Board | 13th November 2018 |
| No. of share held | 250000 Equity Shares |
| Relationship with Directors, Managers & KMP | Not Related |

| | |
|---|---|
| Number of Board Meetings attended during FY 2023 | 8 meetings out of 10 meetings held during the year. |
| Other Directorship | Nil |
| Chairman/ Member of the Committees of Boards of other companies* | Nil |

Except Ms. Rupa Basu herself, being the appointee, none of the Directors or Key Managerial Personnel of the Company (including their relatives), except to the extent of their shareholding in the Company, are interested or concerned in the resolution set out in 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**

In order to improve the liquidity of the Company's shares and unlock their value, the Board of Directors of the Company at its meeting held on July 31, 2023 approved the sub-division (split) of the nominal value of each Equity Share having a present face value Rs. 10/- (Rupees Ten Only) each into 10 (Ten) Equity Shares of Re. 1/- (Rupee One Only) each, Preference Share having a present face value Rs. 10/- (Rupees Ten Only) each into 10 (Ten) Preference Shares of Re. 1/- (Rupee One Only) each and Preference Share having a present face value Rs. 20/- (Rupees Twenty Only) each into 10 (Ten) Preference Shares of Rs. 2/- (Rupee Two Only) each subject to the approval of members.

Accordingly, consequent upon the approval of members equity shares of the Company of the nominal value of Rs. 10/-each, Preference Share having the nominal value of Rs. 10/- each and of Rs. 20/- each, respectively, existing on the Record date, shall stand sub-divided into 10 equity shares of the nominal value of Re. 1/- each, 10 preference shares of the nominal value of Re. 1/- each and 10 preference shares of the nominal value of Rs. 2/- each respectively in the manner given below.

| | Pre sub-division | | | Post sub-division | | |
|---|---|---|---|---|---|---|
| Particulars | No. of Shares | Face Value per share# | Total Share Capital# | No. of Shares | Face Value per share# | Total Share Capital# |
| **Authorised Share Capital** | | | | | | |
| Equity Share Capital | 27,00,000 | 10/- | 270,00,000 | 270,00,000 | 1/- | 270,00,000 |
| Preference Share Capital | 50,00,000 | 10/- | 500,00,000 | 500,00,000 | 1/- | 500,00,000 |
| Preference Share Capital | 21,50,000 | 20/- | 430,00,000 | 215,00,000 | 2/- | 430,00,000 |
| | | **Total** | **1200,00,000** | | **Total** | **1200,00,000** |
| **Paid up share capital** | | | | | | |
| Equity Share Capital | 20,29,202* | 10/- | 202,92,020 | 202,92,020* | 1/- | 202,92,020 |
| Preference Share Capital | 34,29,877 | 10/- | 342,98,770 | 342,98,770 | 1/- | 342,98,770 |
| Preference | 21,20,844 | 20/- | 424,16,880 | 212,08,440 | 2/- | 424,16,880 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Share Capital | | | | | | |
| | Total | 970,07,670 | | | Total | 970,07,670 |

#figures in Rs.
*includes ESOPs exercised

The Board recommends the resolution as set out in Item no. 6 of the accompanying notice for the approval of the Members of the Company as the ordinary resolution.

The Directors of the Company are interested in the proposed resolution to the extent of their respective shareholding in the Company. However, none of the KMP and their relatives and Directors' relatives are interested in the passing of the proposed resolution.

**Item no. 7**

The proposed Sub-division of the equity shares of the Company of face value of Rs. 10/- each, preference shares of face value of Rs. 10/- each and of face value of Rs. 20/- each, respectively, into the smaller denomination of face value of Re. 1/- each, face value of Re. 1/- each and face value of Rs. 2/- each respectively, requires amendment to the Memorandum of Association of the Company. Accordingly, the existing Clause V of the Memorandum of Association is proposed to be substituted with the following clause:

"V. The Authorized Share Capital of the Company is INR 12,00,00,000/- (Rupees Twelve Crores Only) divided into 2,70,00,000 (Two Crores Seventy Lakhs) Equity Shares of INR. 1/- (Rupee One Only) each and 50,00,0000 (Fifty Lakhs) Preference Shares of INR. 1/- (Rupee One Only) each and 2,15,00,000 (Two Crores-Fifteen Lakh) Preference Shares of INR. 2/- (Rupee Two Only) each."

The Board of Directors in its meeting held on July 31, 2023 has approved this proposed amendment to the Memorandum of Association of the Company and recommends the resolution as set out in Item No. 7 of the accompanying Notice for the approval by members of the Company as the Ordinary Resolution.

None of the director / key managerial personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

**Item no. 8**

Members are requested to note that considering expansion of Company's business and the need for additional sources of funds, the Company may raise funds by way of sale / assignment of its loan receivables or book debts to other persons / entities including bank(s) and financial institution(s).

In light of the above and in order to be able to explore opportunities of fund raising by way of sale / assignment of loan receivables, the Board of Directors of the Company in its meeting held on July 31, 2023, subject to the approval of the Members of the Company, authorized the Company to sell / assign present and / or future loan receivables or book debts of the Company, in one or more tranches, such that the aggregate amount of all the tranches does not exceed Rs. 350 crores (Rupees three fifty crores only) during a financial year;

Considering such sale/assignment of loan receivables or book debts of the Company may result into disposal of substantial undertaking as defined in the explanation to Section 180(1)(a) of the Act, it is proposed to seek approval of the Members to authorize the Board of Directors of the Company ('Board') or any Committee of Board or any person authorized in this regard by Board to sell / assign present and / or future loan receivables or book debts of the Company for an aggregate amount not exceeding Rs. 350 crores (Rupees three fifty crores only) during a financial year.

None of the director / key managerial personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board of Directors of the Company recommends the passing of the resolution in Item No. 8 of the notice as a special resolution.

**Item no. 9, 10 & 11**

The Company has formulated the ESOP Schemes, namely, (i) Employees' Stock Option Plan 2013 ("ESOP 2013"), (ii) Employees Stock Option Scheme 2020 ("ESOP Scheme 2020") and (iii) Employees Stock Option Scheme 2022 ("ESOP Scheme 2022"), collectively called ESOP Schemes for the benefit of the employees which acts as a tool for the Company to recruit and retain the talent in the Company; motivate employees with reward opportunities; create a sense of ownership and provide wealth creation opportunities for employees; achieve sustained growth of the company and align the interests of employees and the company.

**Brief details of ESOP 2013**

The Scheme authorizes the Company 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 of face value of Rs. 10, not exceeding 1,19,047 Equity Shares in aggregate, each at an exercise price of Rs. 10/- 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").

**Brief details of ESOP Scheme 2020**

The Scheme authorizes the Company 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, each at an Exercise Price of Rs. 1166 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 by the Company itself and shares pursuant to the exercised stock options are directly issued and allotted by the Company to the employees.

**Brief details of ESOP Scheme 2022**

The Scheme authorizes the Company to create, offer, issue and allot at any time to or for the benefit of the employees of the Company under the ESOP Scheme 2022 such number of stock options exercisable into equity shares, not exceeding 1,63,667 Equity Shares in aggregate, each at an Exercise Price of Rs. 2829.04/- 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 by the Company itself and shares pursuant to the exercised stock options are directly issued and allotted by the Company to the employees.

Company, with an intent to keep the employee stay invested in the Company for a longer term, unlocking greater value of his ESOPs grants, reaping higher rewards for him and alongside bound to adhere to the provisions of Articles of Association and Shareholders Agreement of the Company, has altered the provisions of ESOP Schemes

- to stretch/extend the exercise period of vested ESOPs for employees by stating, inter-alia, that employee can exercise his/her vested ESOPs up to the 30 days after the listing of the shares of the Company in the event Company brings the IPO.
- to mention that Company at its sole discretion may give offer to buy-back the ESOPs from the employees
- to require the employees, intending to exercise their ESOPs into the equity shares, to serve upon the Company the exercise notice in the form set out in ESOP Schemes and to sign the Letter of Undertaking in the form set out in ESOP Schemes, binding employees to, inter-alia, abide by the terms of articles of association and shareholders' agreement dated 24.12.2021 of the Company.

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.

The mentioned changes in the Scheme will be applicable to all existing and future holders of employee stock option. However, the requirement to sign the Letter of undertaking in form set out in ESOP Schemes shall be applicable on the employees who have been allotted shares so far pursuant to their exercise of ESOPs granted and vested upon them who shall sign the said letter of undertaking in such number of days but not exceeding the 30 days from the date of implementation of the ESOP Schemes, being circulated herewith, which shall replace the undertaking previously signed by the employees, if any, on the said matter. It is further clarified that foregoing revised ESOP Schemes shall become effective from the day they are approved by the shareholders in this ensuing annual general meeting.

The Recruitment Compensation and Nomination Committee ('RCNC') by way of circular resolution approved the foregoing amendments in the ESOP schemes and recommended the same to the Board. The Board in its meeting held on July 31, 2023 approved the amendments in ESOP Schemes as recommended RCNC, subject to the approval of the Shareholders.

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

## ESOP Scheme 2013

| | |
|---|---|
| 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[1] of |

[1]Each stock option will convert into 10 (ten) equity shares of the Company if the proposed revision in the Scheme gets approved in this AGM.

| | |
|---|---|
| | 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.<br>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. ESOP holder to exercise his ESOPs shall deliver to the Company Exercise notice and signed letter of undertaking in the manner prescribed in Scheme. |
| 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:-<br>(a) In the event of abandonment of employment by an Option Grantee without the Company's consent<br>(b) In the event of termination of employment of Option Grantee for the Cause<br>Cause means:-<br>• the act of willful or gross misconduct or neglect<br>• the commission of felony, fraud, misappropriation, embezzlement, breach of trust or an offence involving moral turpitude,<br>• gross or willful insubordination or<br>• 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 (not being retirement or abandonment of employment by the employee 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. |

| | |
|---|---|
| Specified Time Period within which the employee shall exercise the vested options in the event of retirement of employee | Unless otherwise decided by the Committee, all the vested options shall be exercised within 6 months from the date of retirement and all the unvested options as on the date of retirement shall be cancelled. |
| 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 of ESOP Scheme 2013.**

The following changes are being made to the scheme:

| Existing Clause | New Clause |
|---|---|
| Not provided | Insertion of Format of exercise notice in Annexure A |
| Not provided | Insertion of Letter of undertaking in Annexure B |
| **Existing Clause** | **Modified Clause** |
| **Clause 3.1**<br>A Resolution has been passed in the Board Meeting of the Company held on 09.07.2013 authorizing the Board/ Compensation Committee to issue 119,047 Employee Stock Options to Employees. Each option is exercisable for one (1) equity share or security convertible to one (1) equity share of face value of Rs. 10/- each at an exercise price of Rs. 10/- or such other price as may be determined by the Compensation Committee from time to time. | **Clause 3.1**[2]<br>A Resolution has been passed in the Board Meeting of the Company held on 09.07.2013 authorizing the Board/ Compensation Committee to issue Employee Stock Options to Employees convertible into the equity shares not exceeding 11,90,470. Each option is exercisable into ten (10) equity shares of face value of Re. 1/- each at an exercise price of Rs. 10/- or such other price as may be determined by the Compensation Committee from time to time. |
| **Clause 7.1**<br>The Exercise Price shall be Rs. 10/- per equity share or such other price as may be determined by Compensation Committee from time to time, payable by the employee for exercising the Options granted to him under the ESOP 2013. The vested options will be exercisable by the Employee by making an application in writing to the Company in this regard and full payment of Exercise Price and on execution of such documents, as may be prescribed by the Compensation Committee from time to time. The options will lapse if not exercised within the specified exercise period as intimated in the letter of grant. Payment of the Exercise Price shall be made by a crossed cheque or a demand draft | **Clause 7.1**<br>The Exercise Price shall be Rs. 10/- per equity share or such other price as may be determined by Compensation Committee from time to time, payable by the employee for exercising the Options granted to him under the ESOP 2013. The vested options will be exercisable by the Employee by making an application in writing to the Company in this regard (set out in Annexure A hereto) and full payment of Exercise Price and on execution of letter of undertaking (set out in Annexure B hereto) and such other documents, as may be prescribed by the Compensation Committee from time to time. The options will lapse if not exercised within the specified exercise period as intimated in |

[2] Up to the dispatch of notice of AGM, modified clause was approved by the RCNC through circular resolution passed on 11.08.2023

| | |
|---|---|
| drawn in favour of the ESOP Trust, or in such other manner as the Compensation Committee may decide. | the letter of grant. Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the ESOP Trust, or through any other banking channel or in such other manner as the Compensation Committee may decide. |
| **Clause 7.3**<br>In the event of the death of an Employee while in employment with the Company or otherwise, all the granted Options may be Exercised by the Option Grantee's nominees or legal heirs immediately, but in no event later than 90 (Ninety days) from the date of death. | **Clause 7.3**<br>In the event of the death of an Employee while in employment with the Company or otherwise, all the granted Options may be Exercised by the Option Grantee's nominees or legal heirs immediately, but in no event beyond the 90 (Ninety days) from the date of death or 30 days after the listing of the equity shares of the Company on nation-wide stock exchanges of India, whichever is later. |
| **Clause 7.4**<br>In the event of separation of an Employee from the Company due to reasons of Permanent Incapacity while in employment, the Option Grantee may Exercise his granted Option immediately after Permanent Incapacity but in no event later than 90 (Ninety days) from the date of separation from employment. | **Clause 7.4**<br>In the event of separation of an Employee from the Company due to reasons of Permanent Incapacity while in employment, the Option Grantee may Exercise his granted Option immediately after Permanent Incapacity but in no event beyond the 90 (Ninety days) from the date of separation from employment or 30 days after the listing of the equity shares of the Company on nation-wide stock exchanges of India, whichever is later. |
| **Clause 7.5**<br>In the event of separation from employment for reasons of normal retirement or a retirement specifically approved by the Company,<br>(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<br>(ii) all Unvested Options will stand cancelled as on the date of normal retirement or date on which company specifically approves a retirement ,<br><br>unless otherwise determined by the Compensation Committee whose determination will be final and binding. | **Clause 7.5**<br>In the event of separation from employment for reasons of normal retirement or a retirement specifically approved by the Company,<br>(i) all Vested Options should be exercised by the Option Grantee immediately after, but in no event beyond the 6 (Six) months from the date of such Option Grantee's retirement or 30 days after the listing of the equity shares of the Company on nation-wide stock exchanges of India, whichever is later and<br>(ii) all Unvested Options will stand cancelled as on the date of normal retirement or date on which company specifically approves a retirement ,<br><br>unless otherwise determined by the Compensation Committee whose determination will be final and binding. |
| **Clause 7.6**<br>In the event of separation due to | **Clause 7.6**<br>In the event of separation due to |

| | |
|---|---|
| resignation prior to retirement or due to termination of services for reasons other than mentioned in clause 7.7 & 7.8 below, all Unvested Options shall stand cancelled with effect from the date of separation. However, all Vested Options as on that date shall be exercisable by the employee immediately but not later than 1 (One) month from the last working day or date of termination as the case may be. | resignation prior to retirement or due to termination of services for reasons other than mentioned in clause 7.7 & 7.8 below, all Unvested Options shall stand cancelled with effect from the date of separation. However, all Vested Options as on that date shall be exercisable by the employee immediately but not beyond the (i) 1 (One) month from the last working day or date of termination as the case may be or (ii) 30 days after the listing of the equity shares of the Company on nation-wide stock exchanges of India, whichever is later. |
| **Clause 7.9**<br>In the event of separation of an option grantee from the employment due to reasons other than those mentioned in clauses 7.5, 7.6, 7.7 or 7.8, all Unvested Options on the date of separation shall stand cancelled with effect from that date. However, all Vested Options as on that date shall be exercisable by the employee immediately and prior to the date of separation. | **Clause 7.9**<br>In the event of separation of an option grantee from the employment due to reasons other than those mentioned in clauses 7.5, 7.6, 7.7 or 7.8, all Unvested Options on the date of separation shall stand cancelled with effect from that date. However, all Vested Options as on that date shall be exercisable by the employee not later than 30 days after the listing of the equity shares of the Company on nation-wide stock exchanges of India. |
| **Clause 8.1**<br>The Employee shall not have a right to receive any dividend or to vote or in any manner enjoy the rights and benefits of a shareholder (including rights to receive bonus or rights shares) in respect of Employee Stock Options granted, until Shares underlying such Employee Stock Options are issued on Exercise of such Employee Stock Option. | **Clause 8.1**<br>The Employee shall not have a right to receive any dividend or to vote or in any manner enjoy the rights and benefits of a shareholder (including rights to receive bonus or rights shares) in respect of Employee Stock Options granted, until Shares underlying such Employee Stock Options are issued on Exercise of such Employee Stock Option. However, the Compensation Committee shall, subject to the applicable laws, proportionately adjust the number of shares to be issued, in the event of corporate actions such as bonus issue, consolidation of shares, split of shares and all such other actions which may call for proportionate adjustment in the number of Shares. |
| **Clause 8.5**<br>The Company may buy-back part or all of the vested shares and at such price as decided by the Compensation Committee in its absolute discretion. | Clause 8.5<br>The Company may at its sole discretion give an offer to buy-back part or all of the vested ESOPs at such price as decided by the Compensation Committee in its absolute discretion. |

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

**ESOP Scheme 2020**

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| 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[3] 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.<br>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 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. ESOP holder to exercise his ESOPs shall deliver to the Company Exercise notice and signed letter of undertaking in the manner prescribed in Scheme. |
| 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:-<br>(a) In the event of abandonment of employment by an Option Grantee without the Company's consent<br>(b) In the event of termination of employment of Option Grantee for the Cause<br>Cause means:-<br>• the act of willful or gross misconduct or neglect |

[3] Each stock option will convert into 10 (ten) equity shares of the Company if the proposed revision in the Scheme gets approved in this AGM.

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| | • the commission of felony, fraud, misappropriation, embezzlement, breach of trust or an offence involving moral turpitude,<br>• gross or willful insubordination or<br>• 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 (not being retirement or abandonment of employment by the employee 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. |
| Specified Time Period within which the employee shall exercise the vested options in the event of retirement of employee | Unless otherwise decided by the Committee, all the vested options shall be exercised within 6 months from the date of retirement and all the unvested options as on the date of retirement shall be cancelled. |
| 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 ESOP Scheme 2020:

| **Existing Clause** | **New Clause** |
|---|---|
| Not provided | Insertion of Format of exercise notice in Annexure A |
| Not provided | Insertion of Letter of undertaking in Annexure B |
| **Existing Clause** | **Modified Clause** |
| **Clause 3.1**<br>Vide resolution passed by the Company in its Board Meeting held on 07.02.2020 followed by shareholders' approval in Extra-General Meeting held on 30.03.2020, Board/Compensation Committee is authorized, from time to time, to create, offer, and grant to Employees such number of Employee Stock Options in aggregate exercisable into number of equity shares not exceeding 127,889 ("Total Pool"). Each option after paying exercise price of Rs. 1166/- (Rs. One Thousand One Hundred and Sixty Six) or such other price as may be determined in accordance with this Scheme and subject to the satisfaction of other | **Clause 3.1**[4]<br>Vide resolution passed by the Company in its Board Meeting held on 07.02.2020 followed by shareholders' approval in Extra-General Meeting held on 30.03.2020, Board/Compensation Committee is authorized, from time to time, to create, offer, and grant to Employees such number of Employee Stock Options in aggregate exercisable into number of equity shares not exceeding 12,78,890 ("Total Pool"). Each option after paying exercise price of Rs. 1166/- (Rs. One Thousand One Hundred and Sixty Six) or such other price as may be determined in accordance with this Scheme and subject to the satisfaction of other |

[4]Up to the dispatch of notice of AGM, modified clause was approved by the RCNC through circular resolution passed on 11.08.2023

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| conditions, if any, can be exercised into one (1) fully paid up equity share of face value of Rs. 10/-. | conditions, if any, can be exercised into Ten (10) fully paid up equity share of face value of Re. 1/-. |
| **Clause 7.1** The Exercise Price shall be the Rs. 1166/- or such other price as may be determined payable by the employee for exercising the Options granted to him under the ESOP Scheme 2020,. The vested options will be exercisable by the Employee by making an application in writing to the Company in this regard and full payment of Exercise Price and on execution of such documents, as may be prescribed by the Compensation Committee from time to time. The options will lapse if not exercised within the specified exercise period as intimated in the letter of grant. Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company under the name and style of “Shubham Housing Development Finance Company Ltd.”, or in such other manner as the Compensation Committee may decide. | **Clause 7.1** The Exercise Price shall be the Rs. 1166/- or such other price as may be determined payable by the employee for exercising the Options granted to him under the ESOP Scheme 2020,. The vested options will be exercisable by the Employee by making an application in writing to the Company in this regard (set out in Annexure A hereto) and full payment of Exercise Price and on execution of letter of undertaking (set out in Annexure B hereto) and such other documents, as may be prescribed by the Compensation Committee from time to time. The options will lapse if not exercised within the specified exercise period as intimated in the letter of grant. Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company under the name and style of “Shubham Housing Development Finance Company Ltd.”, or through any other banking channel or in such other manner as the Compensation Committee may decide. |
| **Clause 7.3** In the event of the death of an Employee while in employment with the Company or otherwise, all the granted Options may be Exercised by the Option Grantee's nominees or legal heirs immediately, but in no event later than 90 (Ninety days) from the date of death. | **Clause 7.3** In the event of the death of an Employee while in employment with the Company or otherwise, all the granted Options may be Exercised by the Option Grantee's nominees or legal heirs immediately, but in no event beyond the 90 (Ninety days) from the date of death or 30 days after the listing of the equity shares of the Company on nation-wide stock exchanges of India, whichever is later. |
| **Clause 7.4** In the event of separation of an Employee from the Company due to reasons of Permanent Incapacity while in employment, the Option Grantee may Exercise his granted Option immediately after Permanent Incapacity but in no event later than 90 (Ninety days) from the date of separation from employment. | **Clause 7.4** In the event of separation of an Employee from the Company due to reasons of Permanent Incapacity while in employment, the Option Grantee may Exercise his granted Option immediately after Permanent Incapacity but in no event beyond the 90 (Ninety days) from the date of separation from employment or 30 days after the listing of the equity shares of the Company on nation-wide stock exchanges of India, whichever is later. |
| **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,<br>(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<br>(ii) all Unvested Options will stand cancelled as on the date of normal retirement or date on which company specifically approves a retirement ,<br><br>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,<br>(i) all Vested Options should be exercised by the Option Grantee immediately after, but in no event beyond the 6 (Six) months from the date of such Option Grantee's retirement or 30 days after the listing of the equity shares of the Company on nation-wide stock exchanges of India, whichever is later and<br>(ii) all Unvested Options will stand cancelled as on the date of normal retirement or date on which company specifically approves a retirement ,<br><br>unless otherwise determined by the Compensation Committee whose determination will be final and binding. |
| **Clause 7.6**<br>In the event of separation due to resignation prior to retirement or due to termination of services for reasons other than mentioned in clause 7.7 & 7.8 below, all Unvested Options shall stand cancelled with effect from the date of separation. However, all Vested Options as on that date shall be exercisable by the employee immediately but not later than 1 (One) month from the last working day or date of termination as the case may be. | **Clause 7.6**<br>In the event of separation due to resignation prior to retirement or due to termination of services for reasons other than mentioned in clause 7.7 & 7.8 below, all Unvested Options shall stand cancelled with effect from the date of separation. However, all Vested Options as on that date shall be exercisable by the employee immediately but not beyond the (i) 1 (One) month from the last working day or date of termination as the case may be or (ii) 30 days after the listing of the equity shares of the Company on nation-wide stock exchanges of India, whichever is later. |
| **Clause 7.9**<br>In the event of separation of an option grantee from the employment due to reasons other than those mentioned in clauses 7.5, 7.6, 7.7 or 7.8, all Unvested Options on the date of separation shall stand cancelled with effect from that date. However, all Vested Options as on that date shall be exercisable by the employee immediately and prior to the date of separation. | **Clause 7.9**<br>In the event of separation of an option grantee from the employment due to reasons other than those mentioned in clauses 7.5, 7.6, 7.7 or 7.8, all Unvested Options on the date of separation shall stand cancelled with effect from that date. However, all Vested Options as on that date shall be exercisable by the employee not later than 30 days after the listing of the equity shares of the Company on nation-wide stock exchanges of India. |
| **Clause 8.1**<br>The Employee shall not have a right to receive any dividend or to vote or in any manner enjoy the rights and benefits of a shareholder (including rights to receive | **Clause 8.1**<br>The Employee shall not have a right to receive any dividend or to vote or in any manner enjoy the rights and benefits of a shareholder (including rights to receive |

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| bonus or rights shares) in respect of Employee Stock Options granted, until Shares underlying such Employee Stock Options are issued on Exercise of such Employee Stock Option. | bonus or rights shares) in respect of Employee Stock Options granted, until Shares underlying such Employee Stock Options are issued on Exercise of such Employee Stock Option. However, the Compensation Committee shall, subject to the applicable laws, proportionately adjust the number of shares to be issued, in the event of corporate actions such as bonus issue, consolidation of shares, split of shares and all such other actions which may call for proportionate adjustment in the number of Shares. |
| **Clause 8.5**<br>The Company may buy-back part or all of the vested shares and at such price as decided by the Compensation Committee in its absolute discretion. | Clause 8.5<br>The Company may at its sole discretion give an offer to buy-back part or all of the vested ESOPs at such price as decided by the Compensation Committee in its absolute discretion. |

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

**ESOP Scheme 2022**

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| Total number of stock options to be granted | A maximum of 163,667 (One Lakh Sixty Three Thousand Six Hundred Sixty Seven only) stock options. Each stock option is exercisable into 1 (one) equity share[5] of the Company |
| Identification of classes of employees entitled to participate in the ESOP Scheme, 2022 | 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, 2022 | 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.<br>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 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. 2829.04/- 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. ESOP holder to exercise his |

[5] Each stock option will convert into 10 (ten) equity shares of the Company if the proposed revision in the Scheme gets approved in this AGM.

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| | ESOPs shall deliver to the Company Exercise notice and signed letter of undertaking in the manner prescribed in Scheme. |
| Lock-in period | As may be determined by the Committee in accordance with the ESOP Scheme 2022 |
| 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 2022. |
| Method which the company shall use to value its options | As per the ESOP Scheme 2022. |
| Conditions under which option vested in employees may lapse | Vested Options shall lapse:-<br>(c) In the event of abandonment of employment by an Option Grantee without the Company's consent<br>(d) In the event of termination of employment of Option Grantee for the Cause<br>Cause means:-<br>• the act of willful or gross misconduct or neglect<br>• the commission of felony, fraud, misappropriation, embezzlement, breach of trust or an offence involving moral turpitude,<br>• gross or willful insubordination or<br>• 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 (not being retirement or abandonment of employment by the employee 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. |
| Specified Time Period within which the employee shall exercise the vested options in the event of retirement of employee | Unless otherwise decided by the Committee, all the vested options shall be exercised within 6 months from the date of retirement and all the unvested options as on the date of retirement shall be cancelled. |
| 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 2022:

| Existing Clause | New Clause |
|---|---|
| Not provided | Insertion of Format of exercise notice in Annexure A |
| Not provided | Insertion of Letter of undertaking in Annexure B |

| Existing Clause | Modified Clause |
|---|---|
| **Clause 3.1**<br>Vide resolution passed by the Company in its Board meeting held on June 27, 2022 followed by shareholders' approval in extra-ordinary general meeting held on June 27, 2022, Board/Compensation Committee is authorized, from time to time, to create, offer, and grant to Employees such number of Employee Stock Options in aggregate exercisable into number of equity shares not exceeding 163,667 ("Total Pool"). Each option after paying exercise price of Rs. 2829.04 (Rs. Two Thousand Eight Hundred Twenty Nine and Zero Four Paise) or such other price as may be determined in accordance with this Scheme and subject to the satisfaction of other conditions, if any, can be exercised into 1 (one) fully paid up equity share of face value of Rs. 10/ (Rs. Ten)-. | **Clause 3.1**[6]<br>Vide resolution passed by the Company in its Board meeting held on June 27, 2022 followed by shareholders' approval in extra-ordinary general meeting held on June 27, 2022, Board/Compensation Committee is authorized, from time to time, to create, offer, and grant to Employees such number of Employee Stock Options in aggregate exercisable into number of equity shares not exceeding 16,36,670 ("Total Pool"). Each option after paying exercise price of Rs. 2829.04 (Rs. Two Thousand Eight Hundred Twenty Nine and Zero Four Paise) or such other price as may be determined in accordance with this Scheme and subject to the satisfaction of other conditions, if any, can be exercised into 10 (Ten) fully paid up equity share of face value of Re. 1/ (Re. One)-. |
| **Clause 7.1**<br>The Exercise Price shall be the Rs. 2829.04/- or such other price as may be determined payable by the employee for exercising the Options granted to him under the ESOP Scheme 2022. The vested options will be exercisable by the Employee by making an application in writing to the Company in this regard and full payment of Exercise Price and on execution of such documents, as may be prescribed by the Compensation Committee from time to time. The options will lapse if not exercised within the specified exercise period as intimated in the letter of grant. Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company under the name and style of "Shubham Housing Development Finance Company Ltd.", or in such other manner as the Compensation Committee may decide. | **Clause 7.1**<br>The Exercise Price shall be the Rs. 2829.04/- or such other price as may be determined payable by the employee for exercising the Options granted to him under the ESOP Scheme 2022. The vested options will be exercisable by the Employee by making an application in writing to the Company in this regard (set out in Annexure A hereto) and full payment of Exercise Price and on execution of letter of undertaking (set out in Annexure B hereto) and such other documents, as may be prescribed by the Compensation Committee from time to time. The options will lapse if not exercised within the specified exercise period as intimated in the letter of grant. Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company under the name and style of "Shubham Housing Development Finance Company Ltd.", or through any other banking channel or in such other manner as the Compensation Committee may decide. |
| **Clause 7.3**<br>In the event of the death of an Employee while in employment with the Company or | **Clause 7.3**<br>In the event of the death of an Employee while in employment with the Company or |

[6] Up to the dispatch of notice of AGM, modified clause was approved by the RCNC through circular resolution passed on 11.08.2023

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| otherwise, all the granted Options may be Exercised by the Option Grantee's nominees or legal heirs immediately, but in no event later than 90 (Ninety days) from the date of death. | otherwise, all the granted Options may be Exercised by the Option Grantee's nominees or legal heirs immediately, but in no event beyond the 90 (Ninety days) from the date of death or 30 days after the listing of the equity shares of the Company on nation-wide stock exchanges of India, whichever is later. |
| **Clause 7.4**<br>In the event of separation of an Employee from the Company due to reasons of Permanent Incapacity while in employment, the Option Grantee may Exercise his granted Option immediately after Permanent Incapacity but in no event later than 90 (Ninety days) from the date of separation from employment. | **Clause 7.4**<br>In the event of separation of an Employee from the Company due to reasons of Permanent Incapacity while in employment, the Option Grantee may Exercise his granted Option immediately after Permanent Incapacity but in no event beyond the 90 (Ninety days) from the date of separation from employment or 30 days after the listing of the equity shares of the Company on nation-wide stock exchanges of India, whichever is later. |
| **Clause 7.5**<br>In the event of separation from employment for reasons of normal retirement or a retirement specifically approved by the Company,<br>(iii) 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<br>(iv) all Unvested Options will stand cancelled as on the date of normal retirement or date on which company specifically approves a retirement ,<br><br>unless otherwise determined by the Compensation Committee whose determination will be final and binding. | **Clause 7.5**<br>In the event of separation from employment for reasons of normal retirement or a retirement specifically approved by the Company,<br>(iii) all Vested Options should be exercised by the Option Grantee immediately after, but in no event beyond the 6 (Six) months from the date of such Option Grantee's retirement or 30 days after the listing of the equity shares of the Company on nation-wide stock exchanges of India, whichever is later and<br>(iv) all Unvested Options will stand cancelled as on the date of normal retirement or date on which company specifically approves a retirement ,<br><br>unless otherwise determined by the Compensation Committee whose determination will be final and binding. |
| **Clause 7.6**<br>In the event of separation due to resignation prior to retirement or due to termination of services for reasons other than mentioned in clause 7.7 & 7.8 below, all Unvested Options shall stand cancelled with effect from the date of separation. However, all Vested Options as on that date shall be exercisable by the employee immediately but not later than 1 (One) month from the last working day or date of | **Clause 7.6**<br>In the event of separation due to resignation prior to retirement or due to termination of services for reasons other than mentioned in clause 7.7 & 7.8 below, all Unvested Options shall stand cancelled with effect from the date of separation. However, all Vested Options as on that date shall be exercisable by the employee immediately but not beyond the (i) 1 (One) month from the last working day or date of |

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| termination as the case may be. | termination as the case may be or (ii) 30 days after the listing of the equity shares of the Company on nation-wide stock exchanges of India, whichever is later. |
| **Clause 7.9**<br>In the event of separation of an option grantee from the employment due to reasons other than those mentioned in clauses 7.5, 7.6, 7.7 or 7.8, all Unvested Options on the date of separation shall stand cancelled with effect from that date. However, all Vested Options as on that date shall be exercisable by the employee immediately and prior to the date of separation. | **Clause 7.9**<br>In the event of separation of an option grantee from the employment due to reasons other than those mentioned in clauses 7.5, 7.6, 7.7 or 7.8, all Unvested Options on the date of separation shall stand cancelled with effect from that date. However, all Vested Options as on that date shall be exercisable by the employee not later than 30 days after the listing of the equity shares of the Company on nation-wide stock exchanges of India. |
| **Clause 8.1**<br>The Employee shall not have a right to receive any dividend or to vote or in any manner enjoy the rights and benefits of a shareholder (including rights to receive bonus or rights shares) in respect of Employee Stock Options granted, until Shares underlying such Employee Stock Options are issued on Exercise of such Employee Stock Option. | **Clause 8.1**<br>The Employee shall not have a right to receive any dividend or to vote or in any manner enjoy the rights and benefits of a shareholder (including rights to receive bonus or rights shares) in respect of Employee Stock Options granted, until Shares underlying such Employee Stock Options are issued on Exercise of such Employee Stock Option. However, the Compensation Committee shall, subject to the applicable laws, proportionately adjust the number of shares to be issued, in the event of corporate actions such as bonus issue, consolidation of shares, split of shares and all such other actions which may call for proportionate adjustment in the number of Shares. |
| **Clause 8.5**<br>The Company may buy-back part or all of the vested shares and at such price as decided by the Compensation Committee in its absolute discretion. | Clause 8.5<br>The Company may at its sole discretion give an offer to buy-back part or all of the vested ESOPs at such price as decided by the Compensation Committee in its absolute discretion. |

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 Annual General Meeting and at the Meeting also.

None of the director of the Company except to the extent of their shareholding/ their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution. However, Key Managerial Personnel (KMP) of the Company may be deemed to be concerned or interested in the Resolution to the extent of employees stock options granted to them.

The Board of Directors of the Company recommends the passing of the resolution in Item No. 9, 10 & 11 of the notice as a special resolution.

ANNEXURE TO THE NOTICE
Details of the Directors seeking re-appointment at the 14th Annual General Meeting
[Pursuant to Secretarial Standards on General Meetings]

## 1. 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 51 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 has served on the Boards of Seclore, UnitedLex, Netambit, Mindworks and has managed 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 2022-23**
He attended 4 (Four) out of 10 (Ten) 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 2023. (Other than Shubham Housing Development Finance Company Ltd.)**

**Directorships**
1. Greenizon Agritech Consultancy Private Limited
2. Stelling Technologies Private Limited
3. Skookum Education Consultants Private limited
4. Changejar Technologies Private Limited

**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.

  Last drawn remuneration: Nil

  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.

2. **DETAILS OF MR. MANOJ JAISWAL**

- **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 September 14, 2020.

- **Age, experience and qualification that qualify him for Board membership**

  Manoj Jaiswal aged 49 years is CFO and the Operating Partner for Premji Invest (PI). PI is the entrusted with the responsibility of investing for the Philanthropic initiative of Mr. Azim Premji.

  Manoj has extensive experience in excess of 24 years + includes Leading Finance Functions as a CFO of Listed Companies, Negotiating multi country large contracts, driving operational and functional excellence to improve profitability and resource utilization, Risk Management, Leading US$3Bn treasury for Wipro and almost $6Bn+ of Foreign exchange flows. Additionally, Manoj has also headed a Business Unit of Wipro with Global operations.

  Before joining Premji Invest, His experience includes CFO for Zensar Technologies and CEAT Limited. Manoj had spent 17 years in Wipro in various capacity. Amongst many roles in Wipro, Manoj was the CFO for the BPO business, head of Wipro Global Treasury and Investor Relations and Business Unit Head for Corporate Business Services, within the Wipro BPO Business. He has co-steered the BPO business to one of the fastest and most profitable business in the BPO industry along-with the Business Head. During his tenure in Wipro Treasury he was able to improve ROCE by restructuring Core Working Capital and lead the demerger of Wipro Limited and Wipro Enterprises along with other leaders in the organization. Manoj did his article-ship from Price Water Coopers

- **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 2022-23**
  He attended 8 (Eight) out of 10 (Ten) 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 2023. (Other than Shubham Housing Development Finance Company Ltd.)**

  **Directorships**
  1. Napean Trading and Investment Company (Singapore) Pte Ltd, Singapore
  2. Vindhyasi Investment Company Pte Ltd, Singapore
  3. Hygienic Research Institute Private limited
  4. SB Packaging Private Limited
  5. Prazim Trading and Investment Company Pvt. Ltd
  6. Tarish Investment and Trading Company Pvt. Ltd.
  7. Hasham Investment and Trading Co. Pvt. Ltd
  8. Organic India Pvt. 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., PI Opportunity Funds). 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.

  Last drawn remuneration: NiL

  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:** 608-609, 6th Floor, Block-C Ansal Imperial Tower, Community Center, Naraina Vihar, New Delhi-110028

| | | |
|---|---|---|
| **Name of Member(s)** | **:** | |
| **Registered address** | **:** | |
| **Email 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: ………………………,

   or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 14th Annual General Meeting of the company, to be held on Thursday the 17th August 2023 at 09.30 A.M. IST at Registered Office of the company at 608-609, 6th Floor, Block-C Ansal Imperial Tower, Community Center, Naraina Vihar, New Delhi-110028 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 2023, 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 re-appoint Mr. Manoj Jaiswal as a Director, who retires by rotation and being eligible, offers himself, for re-appointment.

**Resolution No.4**
To regularize appointment of Mr. Saravanan Nattanmai as Non-Executive Nominee Director

**Resolution No.5**
To re-appoint Ms. Rupa Basu as Whole Time Director

**Resolution No.6**
To sub-division of equity shares from the Face Value of Rs. 10/- to Re. 1/- per share and Preference Shares from the Face Value of Rs. 10/- each and Rs. 20/- each to Re. 1/- each and Rs. 2/- each respectively.

**Resolution No.7**
To alter capital clause of Memorandum of Association of the Company

**Resolution No.8**
To approve selling, assignment or otherwise dispose off Company's loan receivables/book debts up to Rs. 350 Crores in a financial year

**Resolution No.9**
To approve amendments in Employees' Stock Option Plan 2013 (ESOP 2013)

**Resolution No. 10**
To approve amendments in Employees' Stock Option Plan 2020 ("ESOP 2020")

**Resolution No. 11**
To approve amendments in Employees' Stock Option Plan 2022 ("ESOP 2022")

# SHUBHAM HOUSING DEVELOPMENT FINANCE COMPANY LIMITED

## ATTENDANCE SLIP

Members attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the Annual General Meeting of the Company at 608-609, 6th Floor, Block-C Ansal Imperial Tower, Community Center, Naraina Vihar, New Delhi-110028 on (●), (●) at (●).

Full name of the Member: ………………………………… Signature:

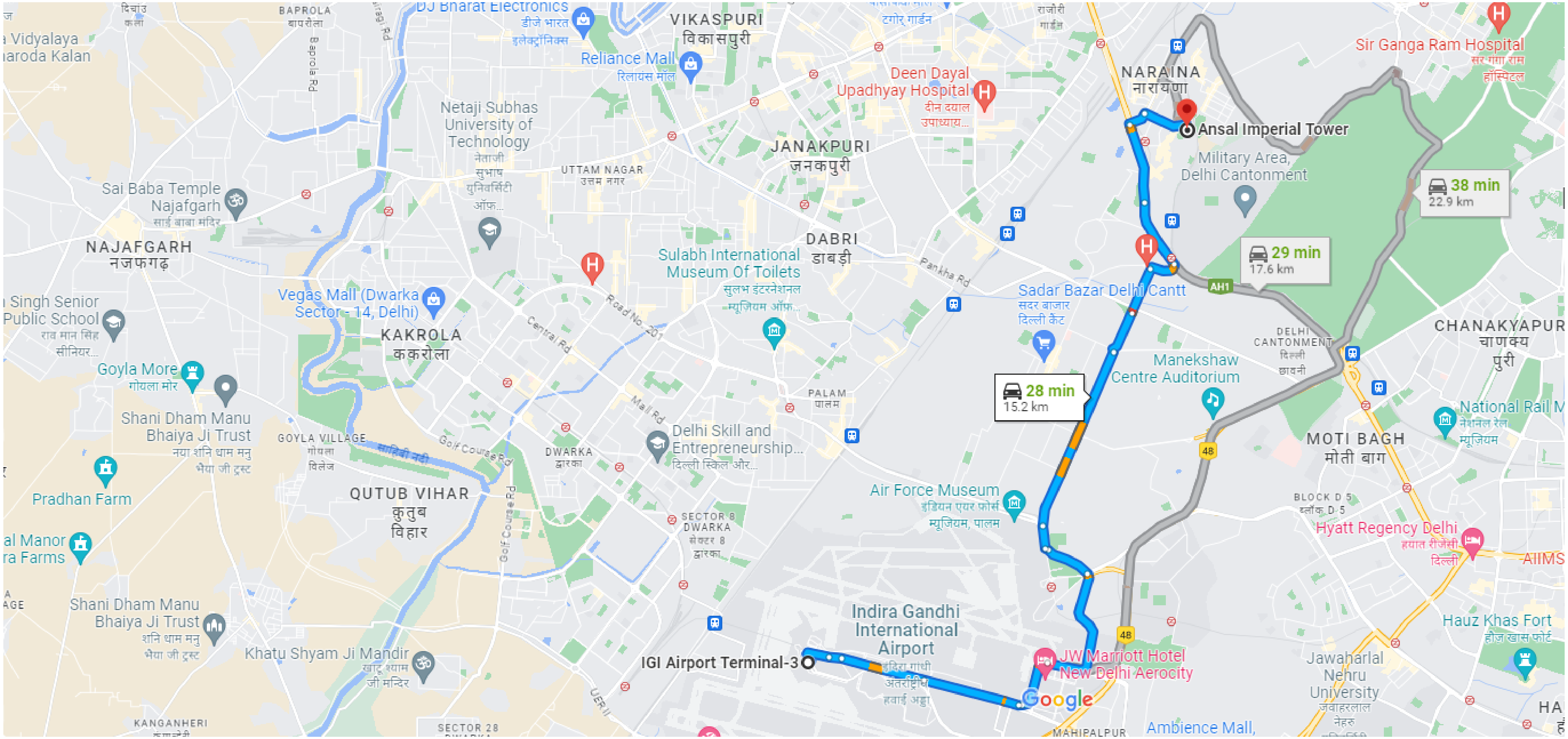
Folio No.: .............................................. DP ID No.*………. Client ID No.* …………

*Applicable for Member holding shares in electronic form

……………….
......................................................................................... ..........................................
Full name of the Proxy (in block letters) Signature

Google Maps IGI Airport Terminal-3, Delhi to Ansal Imperial Tower

Drive 15.2 km, 28 min




Map data ©2023 1 km

| | | |
|---|---|---|
| via Thimayya Marg<br>Fastest route now due to traffic conditions | 28 min<br>15.2 km |
| via NH 48 | 29 min<br>17.6 km |