

NOTICE CALLING THE EXTRA-ORDINARY GENERAL MEETING OF
AADHAR HOUSING FINANCE LIMITED

Notice is hereby given that the Extra-Ordinary General Meeting (“EGM” or “Meeting”) of the Members of Aadhar Housing Finance Limited (Company’), will be held on Wednesday, 23rd March, 2022 at 5.00 p.m. (17.00 Hours) through the Audio-visual means on Zoom meeting App at the Corporate Office, 8th Floor, Unit No. 802, Natraj by Rustomjee, Junction of Western Express Highway and M. V. Road, Andheri (East), Mumbai-400069 to transact the following special business:-

SPECIAL BUSINESS:

Item No. 1

To consider and approve the amendments in the Employees Stock Option 2020 Plan and Policy of the Company.

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

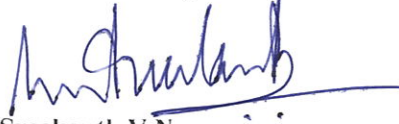
“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Share Capital and Debentures) Rules, 2014, applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SBEB Regulations”), the provisions of any regulations/guidelines prescribed by the Securities and Exchange Board of India (“SEBI”), the Memorandum and Articles of Association of the Company and other applicable laws for the time being in force (including any amendment thereto or modification(s) or re-enactment(s) thereof from time to time) and subject to other applicable approval(s), consent(s), permission(s) and sanction(s), approval of the members be and is hereby granted to amend, adopt and implement the amended “**Aadhar Housing Finance Limited -Employees Stock Option 2020 Plan**” (“the ESOP Plan”), as per the amendments/revision in the ESOP Plan as proposed by the Board of Directors or NRC Committee of the Company as detailed in the explanatory statement (hereinafter referred to as the “Board”, which term shall include Nomination and Remuneration Committee (“NRC”) or their delegated authority to exercise its powers, including the powers conferred by this Resolution and permitted under the aforesaid provisions of law and that the grant of options, vesting and exercise thereof shall be in one or more tranches and on such other terms and conditions as may be determined by the Board/Committee, as per the revised/amended ESOP Plan and in due compliance with the applicable laws and regulations in force:



RESOLVED FURTHER THAT the Board/NRC Committee be and is hereby authorized in accordance with and subject to the applicable laws, to approve the list of eligible employees, terms of ESOP grant letter, application form, agreement and other related documents, formalities to grant options to the eligible employees (both present & future), including revising/ deciding the number of options to be granted or vested and to allot equity shares upon exercise of options, also to decide the effective date of implementation of the ESOP Plan to be issued, to make any modifications/ changes/variations/alterations/revisions in the ESOP Plan or suspend/withdraw/revise the ESOP Plan as per the terms of this Plan/Policy from time to time, as may be required in case of any change in applicable laws/Regulations and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deemed necessary.

RESOLVED FURTHER THAT the equity shares to be issued upon exercise of ESOPs pursuant to the ESOP Plan shall rank pari-passu in all respects with the existing equity shares of the Company and that the Company shall conform to the accounting standards prescribed from time to time as per the provisions of Companies Act, 2013 and other applicable laws to the extent relevant and applicable to the ESOP Plan”.

By order of the Board of Directors of
Aadhar Housing Finance Limited



Sreekanth V.N.
Company Secretary
FCS:-4191



Corporate Office:

8th Floor, Unit No. 802,
Natraj by Rustomjee,
Junction of Western Express Highway
and M. V. Road,
Andheri (East), Mumbai-400069

Place: Mumbai

Date: 28th February, 2022

NOTES

1. The Explanatory Statement under Section 102 of the Companies Act, 2013, (“Explanatory Statement”) read with applicable rules thereto and the SEBI SBEB Regulations, relating to the Special Business to be transacted at this Meeting is annexed hereto and forms part of this notice of the Meeting.
2. Pursuant to the general circular no 14/2020 issued by Ministry of Corporate Affairs (MCA) 8th April, 2020 read with MCA Circular No. 20/2021 dated 8th December, 2021 revised from time to time, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members are not provided for the EGM. Since this Extraordinary general meeting will be held through online mode, the appointment of proxy has been dispensed with pursuant to aforesaid MCA circulars. In case any member wishes to appoint proxy, he/she may contact the Secretarial department of the Company for the proxy form.
3. Corporate members intending to depute their authorized representatives to attend the Meeting are requested to send to the Company a duly certified true copy of the Board Resolution- Power of Attorney authorizing their representatives to attend and vote on their behalf at the Meeting.
4. Pursuant to provisions of Section 20(2) of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014, as amended, companies are permitted to send official documents to their shareholders electronically.
5. The Members may note that, due to social distancing norms imposed by the Government because of COVID-19 pandemic and pursuant to the General Circular No. 20/2021 dated 8th December 2021, issued by MCA, this EGM will be held through audio- video means by using the Zoom Meeting App. The meeting Id and password to participate in the said EGM is given herein below :

Link of Video Conference	https://us02web.zoom.us/j/86752021574?pwd=Ri84Wi82NHdIN0FpVDh4K3dCRnBrQT09
Meeting ID	867 5202 1574
Password	123456

For detailed procedure to participate in the EGM through video conference by using the Zoom App, please refer Annexure-1, as enclosed.

6. The members can join the EGM through VC mode 15 minutes before the fixed time of 5.00. p.m. and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Annexure-1 to this Notice.



7. This EGM will be conducted through Audio – Visual Facility and the attendance of the members attending the EGM through Video Conference will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 and therefore separate Attendance Slip and route map are not enclosed.
8. Members may also note that the Notice of this EGM along with the Explanatory Statement will be available on the website of the Company i.e. www.aadharhousing.com.
9. All relevant documents referred in this Notice and the Explanatory Statement shall be open for inspection by the Members at the Registered office of the Company during the business hours (10.00 a.m. to 5.00 p.m.) on all working days (except Saturday & Sunday) upto the date of this EGM.
10. In case, of joint holders attending the EGM, only such joint holder whose name appears first in order of names will be entitled to vote.
11. The scheduled venue of the meeting as set forth in the notice convening the meeting, shall be deemed to be the place of the said meeting and all recordings of the proceedings at the meeting shall be deemed to be made at such place.

ANNEXURE TO THE NOTICE

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

Item No. 1

To consider and approve the amendments in the Employees Stock Option 2020 Plan and Policy of the Company.

Aadhar Housing Finance Limited ('Company') adopted the Aadhar Housing Finance Limited - Employees Stock Option 2020 Plan ('ESOP Plan'), which is being amended by the Company.

The Nomination and Remuneration Committee ("NRC") at its meeting held on March 5, 2020 has formulated the detailed terms and conditions of the Scheme which was duly approved by the Board of Directors ("Board") at its meeting held on the same date, with the approval of the members at the Extra-ordinary General Meeting ("EGM") held on 29th March, 2020. The ESOP Plan was further amended with the approval of the members at the EGM held on 13th March, 2021. Further, NRC at its Meeting held on 22nd September, 2021 has approved the amendment to various clauses regarding the vesting period and recommended the same for approval of the Board. The Board of Directors at its Meeting held on 12th November, 2021 has duly approved the amendment to the ESOP Plan to be submitted for approval of shareholders.

The ESOP Plan has been formulated in accordance with the provisions of the Companies Act, 2013, Rules and SEBI Regulations applicable to the same.



Based on the approval of the, NRC and Board of Directors given on 28th February, 2022 subject to the approval of the Members, it is proposed that the ESOP Plan be amended in order to comply with the regulatory requirements in terms of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 which were notified on August 12, 2021 (“**SEBI SBEB & SE Regulations**”) and also to undertake certain changes to the vesting schedule in the plan.

In view of above, approval of Members is sought by way of a Special Resolution for Item No. 1 of the accompanying Notice, for authorizing the Board/ NRC to amend the ESOP Plan and do all such acts, matters, deeds and things and to take all steps and do all things and give such directions as may be required, necessary, expedient, incidental or desirable for giving effect to the amendment of the ESOP Plan.

Amendment/Variation of the ESOP Plan proposed: -

1. Change in the Vesting Schedule:

- (a) The existing terms of clause 5.3.1 (b) shall be read as follows: -

Proportionate Eligible Options as per Clause 5.3.1(a) mentioned above shall Vest as per following Vesting Schedule:

Vesting Date	Percentage of Proportionate Eligible Options
On the Testing Date	60% of Proportionate Eligible Options
On 1 st anniversary of the Testing Date	40% of Proportionate Eligible Options
On 2 nd anniversary of the Testing Date	20% of Proportionate Eligible Options

- (b) The above existing Clause 5.3.1(a) of the Plan shall be amended/ revised to read as below:

“Proportionate Eligible Options as per Clause 5.3.1(b) shall Vest as per following Vesting Schedule:

Vesting Date	Percentage of Proportionate Eligible Options
On the Testing Date	60% of Proportionate Eligible Options
On 1 st anniversary of the Testing Date	40% of Proportionate Eligible Options

Provided, the Nomination and Remuneration Committee, at its sole discretion and by adopting a resolution at a meeting, will have the right to Vest entire Proportionate Eligible Options on the Testing Date for all ESOP Grantees.

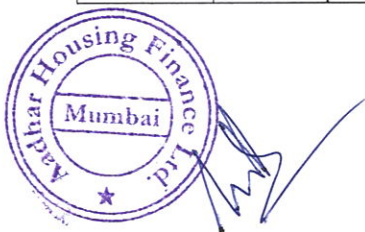
- (c) Introduction of a new Clause 5.3.3, in the event the Investor has received a new sale consideration of USD 500,000,000 and Options are to granted, then this sale conditions would be deemed to have to met, and the remaining vesting conditions only shall apply:



“In the event the Investor has received a net sale consideration of United States Dollar Five Hundred Million (USD(\$)) 500,000,000) cumulatively from the sale of the Shares held by the Investor as specified in Clause 5.3.1, and Options are to be granted post the Start Date of Vesting, then the Vesting conditions specified in Clause 5.3.1 has been satisfied, and the Vesting Conditions specified in Clauses 5.1, Clause 5.2, Clause 5.3.1.(a), Clause 5.3.1.(b) and Clause 5.3.2 shall apply to such Options.”

2. Other proposed amendments to the ESOP Plan to comply with SEBI SBEB & SE Regulations

No.	Position under the ESOP Scheme at present	Amendments /Variations Proposed
1.	<p>Definition of employee and the scope of the ESOP Plan</p> <p>Under the ESOP Scheme “Employee” means:</p> <p>(i) a permanent employee of the Company; or</p> <p>(ii) executive directors (including managing director), whether in India or outside India, of the Company, or</p> <p>(iii) an employee as defined in (i) above of a subsidiary of the Company.</p> <p>But excludes:</p> <p>(a) an employee who is a Promoter or a person belonging to the Promoter Group;</p> <p>(b) all non-executive directors and independent directors.</p>	<p>The definition of an employee, except in relation to sweat equity, has been revised under SBEB & SE Regulations to include an employee as designated by the company, who is exclusively working in India or outside India. Further, the ambit of an employee has been expanded to include employees of group companies, including associate companies. The definition of employee is being revised in the ESOP Plan to reflect the above regulatory change, to be applicable on the Company after listing, as the Company would have to comply with the SEBI SBEB & SE Regulations upon listing. Further, the Company is being given the authorization to allot shares to the employees of the ‘group companies’ and ‘associate companies’ (as defined under the SEBI SBEB & SE Regulations) after listing.</p>
2.	<p>Power of the compensation committee</p> <p>The compensation committee has been provided the authority to undertake various action in relation to the grant and exercise of options.</p>	<p>The power of the compensation committee has been revised to bring it in compliance with Schedule 1, Part B of the SEBI SBEB & SE Regulations.</p>
3.	<p>Policy for vesting in case of death or permanent incapacity</p> <p>The ESOP Scheme presently provides for immediate vesting of all the options granted in case of death or permanent incapacity.</p>	<p>The cliff period of 1 year is not applicable in case of death or permanent incapacity. The ESOP Plan is being amended to include the above clarification to be applicable on the Company after Listing.</p>



4.	<p>Treatment of options in case of retirement on superannuation</p> <p>Under the ESOP Plan, all the unvested options will lapse on the Cessation Date.</p>	<p>In the event of retirement or superannuation, the options granted to an employee which have not vested, will not expire, and continue to vest in accordance with their respective vesting schedules as per company's policies after the Listing, per the amendment being proposed in the ESOP Plan.</p>
5.	<p>Modification of the plan</p> <p>Presently, subject to applicable law, the Nomination And Remuneration Committee may revoke, add to, alter, amend or vary all or any of the terms and conditions of ESOP Plan.</p>	<p>Companies can vary the terms of the scheme to meet any regulatory requirement without seeking shareholders' approval under the SEBI SBEB & SE Regulations. Per the proposed amendment, post the listing, the Board or the Nomination and Remuneration Committee may revise any of the terms and conditions of ESOP Plan to meet any regulatory requirement without seeking shareholders' approval.</p>

Rationale for variation

Stock Options in the hands of the employees have since long been recognised as an effective instrument to align the interests of the employees with that of the Company.

The Company's Management appreciates the critical role, played by staff in the organizational growth. It strongly feels that the value created by its people should be shared with them. To promote the culture of employee ownership and as well as to attract, retain, motivate and incentivize critical talents, the Company has proposed to amend/modify the vesting period under ESOP Plan. The rationale for the proposed amendment is reduction in vesting period to attract, retain, motivate and incentivize critical talents and alignment of the ESOP Plan with the SBEB & SE Regulations which are effective from August 13, 2021. The existing and future ESOP grantees are the beneficiaries of the proposed amendment in ESOP Plan. The variation in the terms of the ESOP Plan being undertaken is not prejudicial to the interests of the employees.

Further, the amendments, including those mentioned herein, are proposed to be undertaken in order to comply with SBEB & SE Regulations on the listing of the Company, and make corresponding changes in the ESOP Plan.



Details of the employee who are the beneficiary under the variations

All employees granted and to be granted options under the ESOP Plan will be the beneficiaries.

All other provisions of Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions shall be complied by the Company.

As the revised **ESOP Plan** amends the vesting period of existing and future ESOPs from 3 years to 2 years, approval of the members is hereby required to be granted to this Special Resolution pursuant to Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, the Memorandum and Articles of Association of the Company and any other applicable laws. The Board recommends passing of this Special Resolution.

A draft copy of the full text of the proposed revisions to the **ESOP Plan** is available for inspection at the Company's Registered Office/Corporate Office during office hours on working days till the date of the Extraordinary General Meeting.

None of the Promoter, Promoter Group, Directors are interested in this resolution as mentioned at item no 1 of this Notice, however the Whole time / Managing Director and Key Managerial Personnel of the Company may be deemed to be concerned or interested in the proposed resolution to the extent of their Stock Options entitlements, under this **ESOP Plan**.

By order of the Board of Directors of
Aadhar Housing Finance Limited

A handwritten signature in blue ink, appearing to read "Sreekanth V.N.", is written over a horizontal line.

Sreekanth V.N.
Company Secretary
FCS: 4191



Corporate Office:
8th Floor, Unit No. 802,
Natraj by Rustomjee,
Junction of Western Express Highway
and M. V. Road,
Andheri (East), Mumbai-400069

Place: Mumbai
Date: 28th February, 2022

Annexure- 1

Instructions for participating in the Extra-Ordinary General Meeting (EGM) of the Members of Aadhar Housing Finance Limited, to be held on Wednesday, 23rd March 2022, at 5.00 p.m. (17.00 Hours), through audio visual means, by using Zoom Meeting App.

Instructions for participating the aforesaid EGM through audio visual means:

Step 1

Download the Zoom Meeting App – from Google Play store in your Mobile or Laptop.

Step 2

Click on “Sign up”

Step 3

For verification, please enter your “Date of Birth”

Step 4

Please enter “Your email” , “First Name” and “Last Name” and click on “I agree to the Terms of Service”

Step 5

Now go to your Registered email provided, check Inbox for the registration email and Click on the “Activate Account”

Step 6

Go to your Zoom App, click on the “Join” and enter the Meeting Id and password and now click on the “Join Meeting” Tab and ensure that you have proper internet facility through Mobile phone or Wifi connect to your devise.

Other instructions :

1. Please note that, if you have already downloaded /using Zoom App, then you need not to do the aforesaid activities and you have to just enter the Zoom Meeting Id and Password, as provided in this Notice.
 2. You can sign-in/join the meeting before 15 minutes on the meeting day for timely participation in the EGM through video conference.
 3. Please listen and participate in the discussion carefully.
 4. **PLEASE PROPOSE AND SECOND THE RESOLUTION BY RAISING YOUR HAND/ SHOW OF HANDS AND BY SAYING “I PROPOSE THE RESOLUTION” OR “I SECOND THE RESOLUTION” WHENEVER ASKED BY THE COMPANY SECRETARY. KINDLY KEEP YOUR ZOOM VIDEO AND AUDIO ON AT THAT TIME.**
 5. Please click on the “Mute” tab, when there is any disturbance or noise around you.
 6. Please ensure that, no other person is sitting with you /participating in the aforesaid Meeting through Video Conference.
 7. **PLEASE CLICK ON “UNMUTE” TAB WHEN YOU HAVE TO SAY SOMETHING.**
 8. In case of any assistance before or during the video conference as aforesaid, you can call Tanvi Kapre from Secretarial Department- Aadhar Housing Finance Ltd. at her Mobile number provided to you.
 9. In case poll is ordered, members may send their vote at complianceofficer@aadharhousing.com
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