

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE is hereby given that an Extra-Ordinary General Meeting of the Members of ART Housing Finance (India) Limited will be held on Thursday, December 29, 2022, at 03.00 P.M. through electronic mode to transact the following businesses:

AS SPECIAL BUSINESS:

Item No.1: To consider and approve AHFL Employee Stock Option Plan 2022 ("ESOP 2022"/ "Plan") and in this regard to consider and if thought fit, pass with or without modification the following Resolution as *Special Resolution*:

RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the provisions of Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, provisions of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations") read with circulars, if any, issued thereunder to the extent applicable, the relevant provisions of the Memorandum and Articles of Association of the Company, and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and further subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s), the approval of the Company be and is hereby accorded to the introduction and implementation of 'AHFL - Employee Stock Option Plan 2022' ("ESOP 2022"/ "Plan") authorizing the Board of Directors of the Company (*hereinafter referred to as "Board" which term shall be deemed to include any committee including Nomination and Remuneration Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this resolution*) to create, issue and grant from time to time, in one or more tranches, not exceeding 90,85,500 (Ninety Lakhs Eighty Five Thousand and Five Hundred only) stock options to or for the benefit of such person(s) who are in permanent employment of the Company, in or outside India, including any director, whether whole time or not (*other than promoters and persons belonging to the promoter group, independent directors and directors holding directly or indirectly more than 10% (ten percent) of the outstanding equity shares of the Company*), subject to their eligibility as may be determined under the Plan, exercisable into not more than exceeding 90,85,500 (Ninety Lakhs Eighty-Five Thousand and Five Hundred only) equity shares ("Shares") of face value of Rs. 10/- (Rupees Ten) each fully paid-up, from the Company for the purpose of subscribing and acquiring Shares, where one stock option upon exercise shall convert in to one Share upon exercise subject to payment/ recovery of requisite exercise price and applicable taxes, on such terms, condition and in such manner as the Committee may decide in accordance with the provisions of the applicable laws and the provisions of the Plan.



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RESOLVED FURTHER THAT the Company shall confirm to the accounting policies prescribed from time to time under the SEBI SBEB & SE Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Plan.

RESOLVED FURTHER THAT the equity shares so issued and allotted as mentioned hereinbefore shall rank pari passu with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are required to be issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the ceiling in terms of number of equity shares specified above shall be deemed to be increased to the extent of such additional equity shares are required to be issued.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the plan shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs.10/- per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

RESOLVED FURTHER THAT the Board be and is hereby authorized to make modifications, changes, variations, alterations or revisions in the Plan or any Options granted thereunder, as it may deem fit, from time to time, in its sole and absolute discretion in conformity with the provisions of the Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, relevant provisions of the SEBI SBEB & SE Regulations to the extent applicable, the Memorandum and Articles of Association of the Company and any other applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised on behalf of the company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of the equity shares.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of directors with a power to further delegate to any executives / officers of the company to do all such acts, deeds, matters and things as also to execute such documents, writings etc. as may be necessary in this regard.



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Item No.2: To consider and approve grant of ESOPs under AHFL Employee Stock Option Plan 2022 ("ESOP 2022"/ "Plan") to the employees of the Company and in this regard to consider and if thought fit, pass with or without modification the following Resolution as *Special Resolution*:

RESOLVED THAT pursuant to the provisions of Section 62(1)(b), and all other applicable provisions, of the Companies Act, 2013 and the Rules made thereunder, and the Memorandum and Articles of Association of the Company, and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the Members be and is hereby accorded to grant 41,40,000 (Forty-One Lakhs and Forty Thousand only) Options exercisable into not more than 41,40,000 (Forty-One Lakhs and Forty Thousand only) of equity shares of the Company of face value of Rs. 10/- (Rupees Ten) each fully paid-up, under the AHFL - Employee Stock Option Plan 2022 ("ESOP 2022"/ "Plan"), to the proposed option grantees.

RESOLVED FURTHER THAT Mr. Vipin Jain, Managing Director & CEO, Mr. Bharat Dhall, Chief Financial Officer, Ms. Ritika Bhatia, Whole Time Director & Company Secretary and Mr. Rahul Pandey Chairperson of the Company, be and are hereby jointly and severally authorized to issue the grant letters and enter into agreement if required, for and on behalf of the Company and to do all such acts, deeds and things as may be required and/or necessary for the purpose of and in connection with the aforesaid and in order to give effect to the above resolution."

By Order of the Board of Directors
For ART Housing Finance (India) Limited

Date: December 07, 2022
Place: Gurugram



Rahul Kumar Pandey
Chairperson
DIN : 00250437



NOTES

1. The said meeting is being scheduled via electronic mode in compliance with the relaxations clarified by Ministry of Corporate Affairs by the) vide General Circular No. 14/2020 dated 8th April 2020, General Circular No. 17/2020 dated 13th April, 2020, General Circular No. 22/2020 dated 15th June 2020 , General Circular No. 33/2020 dated 28th September 2020 ,General Circular No. 39/2020 dated 31st December, 2020, General Circular No. 10/2021 dated 23rd June 2021, General Circular No. 20/2021 dated 8th December, 2021 and General Circular No. 03/2022 dated 5th May,2022
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. HOWEVER, THE MEETING IS BEING CONDUCTED BY ELECTRONIC MODE, AND ACCORDINGLY THE APPLICABILITY OF SUCH SECTIONS WITH RESPECT TO APPOINTMENT OF PROXY ARE NOT APPLICABLE FOR THE SAID MEETING.
3. An Explanatory Statement as required by section 102 of the Companies Act, 2013 and under other provisions and rules as may be applicable setting out material facts, in respect of all special business as set out in the Notice is annexed hereto.
4. Members who are body corporate intending to appoint their authorised representative(s) to attend the Extra-Ordinary General Meeting are requested to send to the Company on ritika.sati@arthfc.com/ secretarial@arthfc.com, a certified copy of the resolution of its Board of Directors / other governing body authorising their representative(s) to attend and vote on their behalf at the AGM, pursuant to Section 113 of the Act.
5. Members are requested to notify the change in the Registered Address, if any, along with the Pin code number immediately to the Company.
6. Members are requested to note that the resolutions set out in the Notice will be decided through show of hands or by conducting poll, in case demanded by the Members.
7. In case of any query, the members are requested to contact on ritika.sati@arthfc.com/ secretarial@arthfc.com.
8. The process of participation in the Meeting through electronic mode shall be shared with all the shareholders separately.



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Network Connectivity Check:

- **Test Meeting:** You can also check your connection, audio, and video by joining test meeting (available 24*7).
- **Wi-fi:** If using Wi fi, make sure your signal is strong, and stay as close as possible to the Wifi access point. Wired/ethernet cable is preferable, when possible, as it offers a more stable connection.
- **Hotspot:** In the absence of Wifi you can connect on mobile. If you wish to connect on Laptop using mobile data, turn on Hotspot under “Network and Internet” settings on mobile. And switch on wi fi on laptop (The name of “wi-fi” would be your mobile model if no prior set-up is done) and follow the standard procedure.
- **Laptop Battery:** For laptops, make sure your computer isn’t in a low battery state. Plug in the power cord and if using windows, change your power settings to “high performance”.
- **Limit Household Bandwidth In Use:** Try to avoid having other activities competing for Internet use at the same time as your Microsoft Teams video calls. For instance, if you have quality issues, ask others in the household to refrain from watching streaming videos, downloading files, or playing online games during your Microsoft Teams meetings.

Tips for seamless meeting:

- **Use a Headset:** Internal microphone can sometimes pick up background noise hence headphones with inbuilt boom mic can help while providing better audio quality.
- **Lighting:** Light can play a major role in how others are seeing you. Make sure the light source is not behind you and your room is well lit.
- **Background:** When joining from home, background is important as others could see what is happening. Choose a spot with neutral background which doesn’t distract your participants.
- **Quiet Location:** Try to avoid noisy common areas. Instead, join from a quiet location whenever possible.
- **Poor Connection Tips:** In a case of a poor connection try disabling your video to conserve bandwidth.
- **Camera Angle:** By using self-view, you can test the angle of your camera and position yourself. Look into the camera lens while talking to make eye contact with your audience.
- **Mute:** Keep your mic muted whenever you are not speaking.
- **Sharing the content:** Moderator would be sharing the content throughout the meeting.



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IT Help Desk:

Escalation 1:

Pankaj Kumar, Contact No. : 9818925291

Escalation 2:

Dominic Vijay, Contact No : 9711809793

Note:

As everyone is aware of the present load on digital communication systems and stressed bandwidth due to pandemic situations few technical glitches may as mentioned below may arise.

1. Jittering of images
2. Buffering
3. Delay in voice transmission
4. Delay in body moments
5. Delay in PPT change over

These technical issues when encountered, users are advised to disconnect and re-login to join the call. Technical issues may arise as we will be working on open and shared internet bandwidth.



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

Item No. 1 & 2

The Company appreciates the critical role its employees play in organizational growth. It strongly feels that the value created by its employees should be shared with them. To promote the culture of employee ownership and as well as to attract, retain, motivate and incentivize senior and critical talents, the Company is intending to issue employee stock options under 'AHFL - Employee Stock Option Plan 2022' (hereinafter referred to as "ESOP 2022" / "Plan") to the employees and Directors of the Company, as may be determined from time to time.

Accordingly, the Committee and the Board of Directors of the Company at their respective meetings held on November 28, 2022 approved the Plan subject to Members approval.

The main features of the Plan are as under:

a) Brief description of the Plan:

The Company proposes to introduce the Plan primarily with a view to attract, retain, incentivize and motivate the existing employees of the Company, and their Directors that would lead to higher corporate growth and productivity. The Plan contemplates grant of stock options to the eligible employees (including Directors) of the Company, as may be determined in due compliance of SEBI SBEB & SE Regulations 2021, and provisions of the Plan. After vesting of stock options, the eligible employees earn a right (but not obligation) to exercise the vested stock options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

The Nomination and Remuneration Committee ("Committee") of the Company shall supervise the Plan. All questions of interpretation of the Plan shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Plan. At ART Housing Finance, we have ESOP pool of 100 lacs ESOP which was approved in two equal tranches in 2017 and 2019. Out of 100 lacs ESOPs, 81.18 lacs were granted so far to various employees from 2018 to 2019 and as on date after considering the lapse ESOPs of exited employees, the current status is as under:



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Scheme and year	Approved Pool	% of Equity
ESOP Scheme 2017	50,00,000	1.30%
ESOP Scheme 2019	50,00,000	1.30%
Total	1,00,00,000	2.60%

Refer note
A1

Granted so far	81,18,000	2.11%
Exited employees - lapsed	58,37,650	1.52%
Exited employees - vested	13,65,850	0.35%
Current employees - vested	6,76,650	0.18%
Current employees - vesting pending	2,37,850	0.06%
New Scheme 2022	90,85,500	2.36%

Refer note A2

Refer note A3

Notes

A1: Exercise price was fixed at Rs 10/- per share under 2017 and 2019 scheme

A2: As ESOPs are already vested to exited employees, it is proposed to settle these ESOPs at current MV of RS 11.59 per share (As on Sept 30, 2022).

A3: Vesting will be completed by May 2023

Basis the restart of the business in 2021 and hiring of senior level resources from market and in view of long term goals of the organisation, retention and wealth creation among the employees, it is proposed to grant the ESOPs to critical employees at Leadership/senior/ mid-level. The fresh grant of ESOPs is intended to be used within the approved quota of 100 lac ESOPs. It is proposed to come out with new ESOP scheme 2022 with cancelling the pending ESOP of scheme 2017 and 2019.

b) Total number of options to be granted:

Out of total limit of 90,85,500 ESOPs, a total of 41,40,000 (Forty-One Lakhs and Forty Thousand only) options would be available for being granted to the eligible employees of the Companies under the Plan. Each option when exercised would be converted into one equity share of face value of Rs. 10/- (Ten) each fully paid-up.

Options lapsed or cancelled due to any reason including the reason of lapse of exercise period or due to resignation of the employees / Directors or otherwise, would be available for being re-granted at a future date. The Committee is authorized to re-grant such lapsed / cancelled options as per the Plan.



In case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment will be made to the options granted. Accordingly, if any additional equity shares are required to be issued by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of options/ equity shares as aforesaid shall be deemed to increase to the extent of such additional equity shares issued.

- c) **Identification of classes of employees entitled to participate in the Plan:**
- (i) A permanent employee of the Company working in India or out of India; or
 - (ii) A Director of the Company, whether a whole time Director or not but excluding an independent director; or
 - (iii) Employees as mentioned in (a) and (b) of the Subsidiary Company (ies), but excludes
 - An employee who is a Promoter or belongs to the Promoter Group;
 - A director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company

Provided that after listing of shares of the Company, the term "employee" specified hereinabove shall be determined as per provisions of SEBI SBEB & SE Regulations.

The allocation structure for the ESOP 2022 will be as specified below:

Allocation	% of Total Equity	% of pool	ESOP allocation	Existing grant	Fresh grant proposed	Reserved for future	Total
MD & CEO	0.65%	25.00%	25,00,000	-	25,00,000	-	25,00,000
CXOs	0.65%	25.00%	25,00,000	5,75,000	11,00,000	8,25,000	25,00,000
CXOs - next levels	0.19%	7.50%	7,50,000	40,000	40,000	6,70,000	7,50,000
Functional heads	0.19%	7.50%	7,50,000	1,30,000	70,000	5,50,000	7,50,000
Zonal Heads	0.26%	10.00%	10,00,000	-	2,25,000	7,75,000	10,00,000
Regional/ State Heads	0.26%	10.00%	10,00,000	80,000	2,05,000	7,15,000	10,00,000
Others	0.39%	15.00%	15,00,000	89,500	-	14,10,500	15,00,000
Total	2.60%	100.00%	1,00,00,000	9,14,500	41,40,000	49,45,500	1,00,00,000



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d) **Appraisal Process for determining the eligibility of the employees to Employee Stock Options:**

The options shall be granted to the employees as per the performance appraisal system of the Company. Appraisal process for determining the eligibility of the Employees will be based on period of service i.e. minimum one performance appraisal cycle, designation, performance linked parameters such as work performance with minimum performance rating of 3 as per the PMS policy of the company and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

e) **Requirements of vesting and period of vesting:**

The options granted shall vest so long as the employee continues to be in the employment of the Companies. The Committee may, at its discretion, lay down certain performance metrics on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which options granted would vest (subject to the minimum and maximum vesting period as specified below).

The vesting period of options granted shall vest in not earlier than 1 (one) year and not more than 4 (four) years from the date of grant of such options. The exact proportion in which and the exact period over which the options would vest would be determined by the Committee, subject to the minimum vesting period of one year from the date of grant of options.

The Committee and Board in its meeting held on 28 November 2022, has decided the exact proportion in which and the exact period over which the options would vest, as mentioned below:

Completion of year from date of grant	Scheme 2017 - Vesting timelines	Scheme 2019 - Vesting timelines	Scheme 2022 - Vesting timelines
1 year	0%	20%	25%
2 years	20%	20%	25%
3 years	20%	30%	25%
4 years	30%	30%	25%
5 years	30%	-	-
Total	100%	100%	100%

However, in case of Mr. Vipin Jain, Managing Director & CEO of the Company, considering his vintage with the Company, vesting shall be accelerated, as mentioned below:



Employment details –

July 1, 2013 to Aug 31, 2018 – 5 years

Re-joining – July 1, 2020 onwards – approx. 2.5 years

Considering the vintage of 2.5 years in re-joining period, accelerated vesting proposed for Vipin Jain

Date of Vesting	Scheme 2022 – Vesting timelines
Nov 30, 2022	40%
June 30, 2023	10%
June 30, 2024	25%
June 30, 2025	25%
Total	100%

f) Treatment of ESOPs vested to employees who resigns/ retire from services of the Company

The Company shall have the right to Keep the vested options live and drag-along the same till the liquidity event or have the option to cash settle any time before the liquidity event at the prevailing market value. Cash settlement will be sole discretion of the Company.

g) Approval process

All Grants, settlements, allotments, pricing of ESOPs under the scheme 2022 shall follow the below approval process:

1. Approval by Shareholders Committee
2. Approval by NRC
3. Approval by Board

All above activities shall ideally be done once a year.

h) The maximum period within which the options shall be vested:

The options granted shall vest in not more than 4 (four) years from the date of grant of such options.

i) The Exercise price or pricing formula:

The exercise price per Option shall be determined by the Committee which shall not be lesser than the face value of the Share as on date of Grant of such Option.

The Committee in its meeting held on 28 November 2022, has decided to grant ESOPs at face value of Rs 10/-.



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The current Fair Market value is expected to be Rs 11.34 per share. It is proposed, that ESOPs may be granted at face value of Rs 10/- as done in past.

Exercise Price for previous grants:

Scheme	Lot	Date	Exercise Price
2017	1	29-May-2017	Rs 10/- per share
	2	12-Dec-2017	Rs 10/- per share
	3	26-Apr-2018	Rs 10/- per share
	4	30-May-2018	Rs 10/- per share
2019	1	30-May-2019	Rs 10/- per share

j) **The Exercise Period and the process of exercise:**

i. **Prior to Listing:**

All vested Options can be exercised upon or in connection with a liquidity event and within such period and manner as notified under the Plan.

ii. **Post Listing:**

All vested Options can be exercised within the exercise period of 4 (Four) years from the date of (i) vesting, or (ii) listing, whichever is later.

The vested Options will be exercisable by the employees by a written application to the Company, or by any other means as may be prescribed, to exercise the Options in such manner, and on the execution of such documents, as may be prescribed by the Board/ Committee, as the case may be, from time to time. The Options will lapse if not exercised within the specified exercise period.

The Options will be exercised by the employees by a written application to the designated officer of the Company in such manner, and on the execution of such documents, as may be prescribed in this regard from time to time.

The Option will lapse if not exercised within the specified exercise period.

k) **Lock-in period:**

The Shares arising out of Exercise of Vested Options would not be subject to any lock-in period after such Exercise except such restrictions as prescribed under the Applicable Laws.



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1) **Maximum number of options to be issued per employee and in aggregate:**

Maximum number of Options that may be granted to any individual employee and in aggregate under the Plan shall be as follows:

Name	Role	Department	Level	Current Grant	Fresh	Total
Vipin Jain	MD & CEO (KMP)	CEO	MD & CEO	-	25,00,000	25,00,000
Dominic Vijay	Head IT	IT	CXO	1,35,000	1,15,000	2,50,000
Dushyant Sharma	Head Collections	Collections	CXO	1,30,000	1,20,000	2,50,000
Mahesh Adhikari	Head Credit	Credit	CXO		2,50,000	2,50,000
Puneet Jindal	Business Head	Sales	CXO	-	2,50,000	2,50,000
Vikas Rana	Head Operations	Operations	CXO	1,30,000	45,000	1,75,000
Bharat Dhall	CFO (KMP)	Finance	CXO	90,000	85,000	1,75,000
Ritika Sati	WTD&CS, Head- Legal & Marketing & Branding (KMP)	Secretarial, Corporate Legal & Marketing & Branding	CXO	90,000	85,000	1,75,000
Head HR	Head HR	HR	CXO	-	1,50,000	1,50,000
Jatin Singhal	Head FCU	FCU	FH	1,30,000	20,000	1,50,000
Nilanjala Mukherjee	Head Internal Audit	Audit	FH	-	50,000	50,000
Ashok Kumar	Chief Manager - Operations	Operations	CXO_Next	30,000	10,000	40,000
Sumit Gupta	Chief Manager - Finance	Finance	CXO_Next	10,000	30,000	40,000
Bal Mukund Tiwari	Zonal Sales Head North	Sales	Zonal	-	1,25,000	1,25,000
Anoop Sharma	Zonal Credit Head - Rajasthan	Credit	Zonal	-	1,00,000	1,00,000
Vikram Singh	Regional Sales Manager Rajasthan	Sales	State	-	75,000	75,000
Maulik Sankla	Regional Credit Head Gujarat	Credit	Regional	55,000	20,000	75,000
Manish Jotwani	Regional Credit Head Delhi & Haryana	Credit	Regional	25,000	25,000	50,000
Sandeep Tyagi	State Sales Head Delhi	Sales	State	-	30,000	30,000
Vinod Singh Negi	State Credit Head Delhi	Credit	State	-	30,000	30,000



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Rajesh Kumar	State Sales Head Haryana	Sales	State	-	25,000	25,000
Others				89,500		89,500
Total				9,14,500	41,40,000	50,54,500

Out of the above, following ESOPs are proposed for the Key Managerial Personnel (KMPs)

Name	Designation	ESOPs proposed
Vipin Jain	Managing Director & CEO	25,00,000
Ritika Sati	Whole-time Director & Company Secretary	85,000
Bharat Dhall	Chief Financial Officer	85,000

- m) Whether the scheme(s) is to be implemented and administered directly by the company or through a trust;

The Plan shall be implemented and administered by the Company.

- n) Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both;

The Plan contemplates no new issue of shares by the Company. The Company shall have the right to Keep the vested options live and drag-along the same till the liquidity event or have the option to cash settle any time before the liquidity event at the prevailing market value. Cash settlement will be sole discretion of the Company.

- o) The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.;

This is not relevant under the Plan as the Plan is being administered by the Company.

- p) Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);

This is not relevant under the Plan as the Plan is being administered by the Company.



q) **Method of option valuation:**

To calculate the employee compensation cost, the Company shall use the fair value method for the valuation of the Options granted as per prescribed under Ind-AS 102 or under any relevant accounting standard as notified by appropriate authorities from time to time.

After Listing, the Company shall comply with the accounting and disclosure requirements as prescribed under Regulation 15 of the SEBI SBEB & SE Regulations.

r) **The conditions under which option vested in employees may lapse:**

The vested options shall lapse in case of termination of employment due to misconduct or due to breach of Company policies or the terms of employment. Further, irrespective of employment status, in case vested options are not exercised within the prescribed exercise period, then such vested options shall lapse.

s) **The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation retirement of employee:**

In case of termination of employment due to misconduct, all the vested options shall lapse and cannot be exercised.

In case of resignation/ termination (other than due to misconduct), the vested Options can be exercised by the employee within the following exercise period:

i. **Prior to Listing**

All the Vested Options as on date of resignation/ termination can be exercised by the Option Grantee only upon or in connection with the happening of a Liquidity Event or settled at the sole discretion of the committee.

ii. **Post Listing**

By last working day of the employee in the Company and as per such manner as notified under the Plan.

t) **Disclosure and Accounting Policies:**

The Company shall comply with the disclosure and the accounting policies prescribed as per prevailing accounting guidelines and upon listing of securities of the Company, the Company



shall comply with the accounting policies and disclosure requirements as prescribed under Regulation 15 of the SEBI SBEB & SE Regulations.

- u) **Terms & conditions for buyback, if any, of specified securities/ Options covered granted under the Plan:**

Subject to the provisions of the then prevailing applicable laws, the Committee shall determine the procedure for buy-back of stock options granted under the Plan if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

- v) **Declaration:**

In case, the Company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the Options and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.



ART HOUSING FINANCE (INDIA) LIMITED

Registered Office: 107, Best Sky Tower, Netaji Subhash Place, Pitampura, Delhi - 110034 | Regional Hub: 49, Udyog Vihar, Phase - IV, Gurugram - 122015, Haryana
CIN: U65999DL2013PLC255432 | Phone: +91 124 6622200 | E-mail: contact@arthfc.com | Website: www.arthfc.com

A draft copy of the Plan along with all related documents such as nomination form, acceptance form, form for exercising the option and the letter for grant of options are available for inspection at the Company's Registered Office during official hours on all working days till December 29, 2022

None of the Directors, or Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested in these resolutions, except to the extent of the securities that may be offered to them under the Plan.

Accordingly, your Board recommends passing of the resolutions as set out in the accompanying notice.

Consent of the members is being sought by way of a special resolution pursuant to the Rule 16 of the Companies (Share Capital and Debenture) Rules, 2014 read with Regulation 3(8) of the SEBI SBEB & SE Regulations.

The Board of Directors recommends the Special Resolution set forth as Item No. 1 & 2 of the notice for approval of the shareholders.

By Order of the Board of Directors
For ART Housing Finance (India) Limited



Rahul Kumar Pandey
Chairperson
DIN : 00250437



Date: December 07, 2022
Place: Gurugram

ROUTE MAP FOR EGM VENUE AND ATTENDANCE SLIP

Considering the COVID pandemic outburst, MCA vide General Circular No. 14/2020 dated April 8th 2020, General Circular No. 17/2020 dated April 13th, 2020, General Circular No. 22/2020 dated 15th June 2020 , General Circular No. 33/2020 dated 28th September 2020 , General Circular No. 39/2020 dated 31st December, 2020, General Circular No. 10/2021 dated 23rd June 2021, General Circular No. 20/2021 dated 8th December, 2021 and General Circular No. 03/2022 dated 5th May,2022 had permitted companies to hold the EGM through electronic mode exempting physical presence of members at the venue of EGM, for maintenance of social distancing. In persistence, the meeting is being convened through electronic mode, without any physical presence of members and the proceedings of the EGM conducted shall be deemed in compliance with the Secretarial Standards on General Meeting (SS-2).

