

## **NOTICE TO THE SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN THAT THE EXTRA-ORDINARY GENERAL MEETING OF THE MEMBERS OF ASPIRE HOME FINANCE CORPORATION LIMITED WILL BE HELD AT THE CORPORATE OFFICE OF THE COMPANY AT MOTILAL OSWAL TOWER, 8<sup>TH</sup> FLOOR, "TAJ MAHAL", GOKHALE ROAD, PRABHADEVI, MUMBAI - 400 025 ON THURSDAY ON 16<sup>TH</sup> OCTOBER, 2014 AT 04.00 P.M. TO TRANSACT THE FOLLOWING BUSINESS:**

---

### **SPECIAL BUSINESS:-**

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

### **ALTERATION IN ARTICLES OF ASSOCIATION:**

**"RESOLVED THAT**, pursuant to Section 5 and Section 14 of the Companies Act, 2013 and other applicable sections, if any, of the Companies Act, 2013, the Article No. 140 in the existing Articles of Association of the company be and is hereby replaced with the new Article set here forth, below;

#### **Article No. 140**

The Board shall provide a Seal for the purpose of the Company and shall have the power from time to time to destroy the same and substitute a new seal in lieu of thereof and the Board shall provide for the safe custody of the Seal.

The Seal shall not be affixed on any instruments except by authority of a resolution of the Board of directors or a Committee thereof and unless the Board of Directors or its committee as the case may be, otherwise determines, every deed or other instruments to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company or a person so authorised by the Board or Committee(s), be signed by one Director at least in whose presence the seal shall have been affixed and countersigned by such other person as may from time to time be authorised by Board of Directors or Committee, as the case may be, provided nevertheless that any instrument bearing the seal of the company and issued by valuable consideration shall be binding on the company notwithstanding any irregularities touching the authority to issue the same. The provisions of this article shall not apply to affixing of this Common Seal on Share Certificate.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take all such steps and actions for the purpose of making all such filings and registrations as may be required

in relation to the aforesaid amendment to the Articles of Associations and further to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution.”

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

#### **TO CONSIDER EMPLOYEE STOCK OPTION SCHEME**

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and Companies (Share Capital and Debentures) Rules, 2014 and all other provisions, if any, of the Companies Act, 2013 as amended, modified or re-enacted from time to time, 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, the approval and consent of the Company be and is hereby accorded to the “Aspire Home Finance Corporation Ltd.-Employee Stock Option Scheme 2014 (“ESOS 2014”)” and to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted, or any other committee which the Board may constitute from time to time, to exercise its powers, including the powers conferred by this resolution), to create, offer, issue and allot at any time to or to the benefit of such person(s) who are in permanent employment of the Company, in India or out of India, including any director of the Company, except an employee/director who is a promoter or belongs to the promoter group, options exercisable into not more than **50,00,000 (Fifty Lakhs)** of the Equity Shares of the Company (“Equity Share(s)”) under one or more Employee Stock Option Schemes, in one or more tranches, and on such terms and conditions as may be fixed or determined by the Board in accordance with the provisions of the law or guidelines issued by the relevant authority; each option would be exercisable for one Equity Share of the face value of Rs. 10/- (Rupees Ten) each fully paid-up on payment of the requisite exercise price to the Company.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as right issues, bonus issues, merger, sale of division and others, if any additional Equity Shares are issued by the Company to the option grantees for the purpose of making fair and reasonable adjustment to the options granted earlier, the above ceiling of **50,00,000 (Fifty Lakhs)** Equity Shares shall be deemed to be increased to the extent of such additional Equity Shares issued.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to allot Equity Shares upon exercise of options from time to time in accordance with the Employee Stock Option Plan and such Equity Shares shall rank pari passu in all respects with the then existing Equity Shares.

**RESOLVED FURTHER THAT** in case the Equity Shares are sub-divided or consolidated, then the number of shares to be allotted under the scheme shall automatically shall stand augmented or reduced, as the

case may be, in the same proportion as the present face value of Rs. 10/- (Rupees Ten) per Equity Share bear to the revised face value of the Equity Shares after such sub-division or consolidation bears to the present face value of Rs. 10/- (Rupees Ten) per Equity Share, without affecting any other rights or obligations of the said allottees.

**RESOLVED FURTHER THAT** the shares may be allotted in accordance with the ESOP 2014 either directly or through a trust which has been or may be set up in any permissible manner and that ESOP 2014 may also envisage for providing any financial assistance to the trust, subject to the applicable law(s), to enable the trust to acquire, purchase or subscribe to the shares of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to make modifications, changes, variations, alterations or revisions in the said schemes as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Companies Act, 2013, as amended, modified or re-enacted from time to time, the Memorandum and Articles of Association of the Company and any other applicable laws and the rules made thereunder, without any further reference to the members of the Company at the General Meeting.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such act(s), deed(s), matter(s) and thing(s) as may be necessary or expedient in this regard at any stage without requiring the Board to secure any further consent or approval of the members of the Company in this regard.”

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

**AMENDMENT IN MAIN OBJECT CLAUSE OF THE COMPANY**

“**RESOLVED THAT** pursuant to Section 13 and other applicable provisions if any, of the Companies Act, 2013 (herein after referred to as Act) including any statutory modification(s) or re-enactment of the Act, and subject to necessary approvals, consents, permissions and sanctions, required, if any, in this regards from the Registrar of Companies and/or any appropriate authority and subject to terms and conditions, amendments or modifications as may be required or suggested by any such appropriate authorities with the terms and conditions, amendments, or modifications, the Board of Directors (herein after referred to as “the Board” ) is authorised to accept as it may deem fit, for addition in object clause No. III A 1 of Memorandum of Association of the Company by way of inserting the following New Object Clause as clause 1(a):

1(a) "To Solicit and procure Insurance business as Corporate Agent in respect of all classes of insurance and to undertaken such other activities as are incidental or ancillary thereto."

**RESOLVED FURTHER THAT** the Directors and/or the Company Secretary of the company, be and hereby severally authorised to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writings as may be required including of filing of requisite forms, returns and documents with such appropriate authorities , with the authority to delegate all or any of its powers herein conferred to any officers(s) of the company and/or any other person(s) to give effect to this resolution."

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

**VARIATION IN REMUNERATION PAYABLE TO MR. ANIL SACHIDANAND, MANAGING DIRECTOR & CEO**

"**RESOLVED THAT** pursuant to Section 197 and 198 read Schedule V and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force and Articles of Association of the Company and subject to the approval of Shareholders and Central Government, if any, approval of the Company be and is hereby accorded for providing of perquisites being differential interest payment on loan facility provided to Mr. Anil Sachidanand, Managing Director & CEO for the remaining tenure of his services.

**RESOLVED FURTHER THAT** the said perquisites being provided to Mr. Anil Sachidanand, Managing Directors and Chief Executive Officer of the company shall be over and above of the existing remuneration as approved by the members of the Company in the General Meeting held on 10<sup>th</sup> December, 2013 and approved by the Central Government vide letter dated 31<sup>st</sup> July, 2014.

**RESOLVED FURTHER THAT** any of the directors of the company or the Company Secretary of the Company be and are hereby severally is hereby authorised to do all such acts, matters, deeds and things as may be necessary to implement this resolution."

**By order of Board of Director  
For Aspire Home Finance Corporation Limited**

**Date:-11<sup>th</sup> September, 2014**

**Place:-Mumbai**

\_\_\_\_\_  
**S. Y. Sankhe  
Company Secretary**

**NOTE:** -

1. The relevant statement to be annexed to the Notice in respect of business under Item No. 1 of the Notice is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint proxy, one or more, to attend and vote on a poll instead of himself and such proxy need not be member of the company.
3. The instrument appointing a proxy, to be effective, must be duly filled, stamped and signed and must be deposited with the Company at its Registered Office not less than 48 hours before the Meeting.

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

The following Explanatory Statement sets out all material facts relating to the Special Business set out in the accompanying Notice of the Extra-Ordinary General Meeting of the members of Aspire Home Finance Corporation Limited.

**Item No. 1:**

The Articles of Association of the Company after incorporating the alterations referred to in this resolution is attached to this notice for reference.

Pursuant to the provisions of Section 5 and 14 of the Companies Act, 2013, amendment of Articles of Association requires approval of shareholders by way of special resolution. Accordingly this matter has been placed before the shareholders for approval.

The Board therefore, submits the resolution for your consideration and recommends it to be passed as a special resolution.

A copy of the existing as well as new Articles of Association of the Company is available for inspection at the Registered Office of the Company during working hours on any working day.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financial or otherwise, in the above referred Resolution.

## **Item No. 2**

The Company appreciates the critical role people play in the organisation growth. It strongly feels that the value created by its people should be shared with them. With the Company's growth in last few months, the Company need to attract talent at different levels. In order to help do that, it has become necessary to offer a different kind of Employee Stock Option Plan which maximizes the benefits for the employees/ option holders. Therefore, the company has devised an Employee Stock Option Scheme (ESOS 2014) which will give the right to the option holder to apply for the Company's share at a price of Rs. 10/- per share. It is common industry practice to implement these kinds of stock option schemes to attract and retain talent at different levels.

Under the proposed Employee Stock Option Scheme, upto 50,00,000 Employee Stock Options are proposed to be issued to employees fulfilling such criteria to be finalized, each stock option giving right to the option holder to subscribe for one Equity Share of the Company at a price of Rs. 10/- per share. The implementation of the scheme will be subject to the approval of the shareholders of the Company.

If approved by the shareholders, stock option under the proposed scheme are expected to be granted to the employees over a period of one year. The options are expected to vest over a period of one to three years from the date of grant and the vested options shall be exercisable within a period of three years from the date of vesting.

The main features of ESOS 2014 are as under:

### **1. Total number of options to be granted:**

A total number of options upto 50,00,000 (Fifty Lakhs) Equity Shares of the Company ("Equity Shares") would be available for being granted to eligible employees of the Company under ESOP 2014. Each option when exercised would be converted into one Equity Share of Rs. 10/- each fully paid-up.

Vested option that lapse due to non-exercise or unvested options that get cancelled due to resignation of the employees or otherwise, would be available for being re-granted at future date, as may be determined by Nomination and Remuneration Committee.

### **2. Identification of classes of employees entitled to participate in the Employee Stock Option Scheme(s):**

All permanent employees of the Company working in India including director(s), but excluding the promoters or a person belonging to the promoter group of the Company and an Independent Director of the Company, as may be decided by the Board of Directors of the Company (or any committee of the Board including the Nomination and Remuneration Committee or any other committee as may

constituted by the Board of Directors, from time to time) (“the board”), would be entitled to be granted stock options under ESOP 2014.

### **3. Appraisal Process for determining the eligibility of employees to ESOP 2014:**

The appraisal process for determining the eligibility of the employees will be specified by the Board on criteria such as role/designation of the employee, length of service with the Company, past performance record, future potential of the employee and/or such other criteria that may be determined by the Board at its sole discretion.

### **4. 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 Company or continues to be a Director thereof, as the case may be. The Board may, at its discretion, lay down certain performance metrics on the achievement of which the granted options would vest, the detail terms and conditions relating to such performance-based vesting and the proportion in which options granted would vest (subject to minimum and maximum vesting period) as specified below.

The options would vest not earlier than one year and not later than five years from the date of grant of options. The exact proportion in which and the exact period over which the options would vest would be determined by the Board, subject to the minimum vesting period of one year from the date of grant of option.

### **5. Maximum period within which the options shall be vested:**

The options would vest not later than five years from the date of grant of options.

### **6. Exercise Price:**

The exercise price would be equal to face value of shares at Rs. 10/- per option.

### **7. Exercise Period and process of Exercise:**

The exercise period would commence from the date of vesting and will expire on completion of three years from the date of vesting of option.

The options will be exercisable by the employees by a written application to the Company to exercise the option in such manner and on execution of such documents as may be prescribed by the Board from time to time. The options will lapse if not exercised within the specified exercise period.

#### **8. Maximum number of options to be granted per employee and in aggregate:**

The number of options that may be granted to the identified employees under the scheme, during any one year, shall not be equal to or more than 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of options. The approval of shareholders by way of separate resolution shall be obtained by the Company in case of grant of option to identified employees, during any one year is equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of option.

#### **9. Method of option valuation:**

To calculate the employee compensation cost, the Company shall use the intrinsic value method for valuation of the options granted.

In case the Company calculates the employee compensation cost using the intrinsic value method for valuation of the stock options, the difference between the employee compensation cost so computed and the cost that shall have been recognised if it had used the fair value of the options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on earning per share of the Company shall also be disclosed in the Directors' Report.

#### **10. Transferability of employee stock options & condition under which option vested in employee may lapse:**

The stock options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of an employee stock option holder while in employment, the right to exercise all the options granted to him till such date shall be transferred to his legal heirs or nominees. In the event of resignation or termination of employment of employee stock option holder, all options not vested in the employee as on that day shall expire.

#### **11. Disclosure and Accounting Policies:**

The Company shall comply with the disclosure and the accounting policies as prescribed under SEBI Guidelines

As the Employee Stock Option Scheme provides for issue of shares to be offered to person other than existing shareholders of the Company, consent of the members is being sought pursuant to the Section 62(1)(b) of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions, if any, of the Companies Act, 2013.



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

**Item No. 3:**

The Company intends to diversify its scope of business, in the field of General Insurance business and to become a "Corporate Agent".

To obtain licenses/approvals from Insurance Regulatory and Development Authority (IRDA) for functioning as Corporate Agent, the Company's Memorandum of association is required to obtain the same in this object clause, s specific object for soliciting or procuring insurance business as Corporate Agent.

This amendment and inclusion of new sub clause 1 (a), as set out in the resolution will fulfill the requirement of the IRDA.

Your directors consider that the resolution set out is in the interest of the company and therefore recommend the same for your approval.

None of the Directors, Key Managerial Personnel or their relative, in any way either directly or indirectly, concerned or interested in aforesaid resolution

**Item No. 4:**

The Members of the Company has approved appointment and payment of remuneration to Mr. Anil Sachidanand, Managing Director and CEO of the Company at its Extra-Ordinary General Meeting held on 10<sup>th</sup> December, 2013. Also an application was made to Central Government for the appointment and payment of remuneration to Mr. Anil Sachidanand, Managing Director and CEO of the Company which has been approved by the Central Government vide its letter dated 31<sup>st</sup> July, 2014.

The Members has also approved scheme for providing Housing Loan facility to Mr. Anil Sachidanand, Managing Director and CEO for an amount upto Rs 1.3 Crore at the concessional interest rate as may be determined by the Board. The Board of Directors at its meeting held on 17<sup>th</sup> July, 2014 had approved the interest rate to be levied on the said loan at 4% p.a. The said rate of interest is less than Bank rate and also less than the minimum interest being charged by the Company to its borrower. As per the provisions of Companies Act, 2013 any perquisites provided to Managerial Personnel will be included in remuneration. Accordingly the differential interest rate will be treated as remuneration for remaining tenure of the service of Mr. Anil Sachidanand, Managing Director and CEO.

Therefore, the differential amount by way of perquisites requires approval of shareholders and Central Government, as the said perquisites may exceed the limits prescribed for payment of remuneration to Managing Directors under Section 196, 197 read with Schedule V of The Companies Act, 2013.

Hence the Company and on the recommendation of the Nomination and Remuneration Committee, decided to increase the overall remuneration by way of perquisites being paid to Shri. Anil Sachidanand, Managing Director & CEO for the remaining tenure of his services.

Hence, the Board of Directors recommends the special resolution set out in the Notice for your approval.

The Board of Directors recommends the increase in the remuneration of Mr. Anil Sachidanand, Managing Director of the company for your approval.

None of the Directors, Key Managerial Personnel or their relative, except Mr. Anil Sachidanand, in any way either directly or indirectly, concerned or interested in aforesaid resolution.

Copies of the documents referred herein will be available for inspection by the Members at any time between 9.30 a.m. to 11.30 a.m. till the date of EOGM.

**By order of Board of Director  
For Aspire Home Finance Corporation Limited**

**Date:-11<sup>th</sup> September, 2014  
Place:-Mumbai**

\_\_\_\_\_  
**S. Y. Sankhe  
Company Secretary**

**Registered Office:**

Palm Spring Centre,  
2nd Floor, New Link Road,  
Malad (West), Mumbai 400064  
Maharashtra