



NOTICE

NOTICE is hereby given that the Extra-Ordinary General Meeting (EGM) of the Members of **ADITYA BIRLA FINANCE LIMITED** will be held on Tuesday, the 4th day of October, 2022 at 2:00 P.M. through Video Conferencing ("VC") or other Audio Visual means ("OVAM") to transact, with or without modification, as may be permissible, the following business.

SPECIAL BUSINESS:

1. Alteration of Object Clause in Memorandum of Association 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 Sections 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications, amendments or re-enactment thereof for the time being in force and pursuant to the Companies (Incorporation) Rules, 2014 and subject to all other applicable laws and regulations, the approval of the Members of the Company be and is hereby accorded for the alteration of Clause III of the Memorandum of Association of the Company as follows:

a) After Clause 4 following clause shall be inserted

4A " To carry on the business of issuance and operation of various card products such as credit cards, prepaid cards, smart cards, charge cards, stores value cards, any other payments products such as travellers cheques – domestic / international, gift vouchers etc., of any form and kind and by whatever name called for use in India or any other country outside India and development of such business in India either on its own or in collaboration / partnership / association with other organizations – Indian or international, in compliance with the applicable regulations and subject to requisite regulatory approvals as may be required from time to time and to provide all services incidental thereto including but not limited to servicing thereby collecting, billing, insuring, guaranteeing, underwriting, entering into agreements (either individually or as a member) with merchant establishments (incorporated or not), managing and carrying out all actions as necessary or appropriate in connection therewith including payment products, loyalty and/or similar programs, swipe / point of sale machines, other terminals / peripherals or accessories including pin cards, authorization systems and software for the same."

"RESOLVED FURTHER THAT any one of the Directors or Key Managerial Personnel of the Company be and are hereby authorized to take all necessary action for giving effect to the said alteration and to do all such acts, deeds and things as may be necessary to give effect to the above resolution."



2. Adoption of Aditya Birla Finance Limited Employee Stock Option Scheme 2022

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 all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read along with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and such other applicable provisions, including rules, circulars and regulations formed under the Companies Act 2013, any other rules, circulars, guidelines and regulations issued by the Reserve Bank of India and other applicable laws, rules and regulations (including any statutory amendment, modification or re-enactment thereof for the time being in force) as may be applicable (collectively, the “Applicable Laws”), the relevant provisions of the Memorandum and Articles of Association of Aditya Birla Finance Ltd. (“Company”) and further subject to such other approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies and subject to such conditions and modifications as may be prescribed or imposed by the above authorities and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any duly constituted committee, including the Nomination and Remuneration Committee to exercise its powers conferred by this Resolution), consent of the Members be and is hereby granted for adoption of the ‘Aditya Birla Finance Ltd. Employee Stock Option Scheme 2022’ (“Scheme 2022”), the salient features of which are furnished in the explanatory statement to this Notice and the Board be and is hereby authorised to create, grant, offer, issue and allot in one or more tranches under Scheme 2022, at any time to or for the benefit of the eligible employees of the Company, whether working in India or outside India, including any managing or whole-time directors (but not including any Promoter (or member of the Promoter group) or an independent director) of the Company, including its holding or subsidiary company(ies), if any, as permitted under Applicable Laws, such number of employee stock options (“Stock Options”) exercisable into not more than 25,57,812 equity shares of Rs. 10/- each (“Equity Shares”) being 0.39% of the paid-up equity share capital of the Company as on the 31 August 2022 (or such other number adjusted in terms of Scheme 2022 as per Applicable Laws), at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board in accordance with the Applicable Laws as may be prevailing at that time.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, merger or sale of division or other reorganisation of capital structure of the Company, as applicable from time to time, the Board 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 a fair and reasonable adjustment to the Stock Options granted earlier. Further, the above ceiling of 0.39% i.e. 25,57,812 Equity Shares shall be deemed to be increased to the extent of such additional equity shares issued.

RESOLVED FURTHER THAT in case the equity shares are either sub-divided or consolidated, then the number of Equity Shares to be issued on exercise of Stock Options and the exercise price of Stock Options 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 employees who have been granted Stock Options under Scheme 2022.

RESOLVED FURTHER THAT the Board be and is hereby authorised to formulate, evolve, decide upon and implement Scheme 2022 and determine the detailed terms and conditions

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of the aforementioned Scheme 2022 including but not limited to the quantum of Stock Options to be granted per employee in each tranche, the exercise period, the vesting period, the vesting conditions, instances where such Stock Options shall lapse and to grant such number of Stock Options, to such employees and directors of the Company and including the holding / subsidiary company(ies), if any, at such time and on such terms and conditions as set out in Scheme 2022 and as the Board may in its absolute discretion think fit, subject to Applicable Laws.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot equity shares upon exercise of options, from time to time, in accordance with Scheme 2022 and to take necessary steps for listing of the equity shares so allotted on the Stock Exchanges as may be applicable under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations"); the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"); and other applicable laws, regulations.

RESOLVED FURTHER THAT the equity shares to be allotted by the Company shall rank *pari passu* in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper, including for obtaining approvals, statutory, contractual or otherwise in relation to the above, to settle all questions, difficulties or doubts that may arise in relation or incidental to formulation and implementation of Scheme 2022, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be required at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make any modification(s), change(s), variation(s), alteration(s) or revision(s) in Scheme 2022, as it may deem fit, from time to time or to suspend, withdraw or revive Scheme 2022 from time to time in conformity with the provisions of the Act and rules made thereunder and / or the SEBI SBEB & SE Regulations and other Applicable Laws, provided such variation(s), amendment(s), modification(s) or alteration(s) is not detrimental to the interest of the employees who have been granted Stock Options under Scheme 2022.

3. **Approve extending the benefit of Aditya Birla Finance Limited Employee Stock Option Scheme 2022 to the employees of present or future holding and / or subsidiary company(ies) 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 all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read along with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and such other applicable provisions, including rules, circulars and regulations formed, under the Companies Act 2013, any other rules, circular, guidelines and regulations issued by the Reserve Bank of India and such other laws, rules and regulations (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof for the time being in force) as may be applicable (collectively, the "Applicable Laws"), the relevant provisions of the Articles of Association of

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the Company and further subject to such other approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies and subject to such conditions and modifications as may be prescribed or imposed by the above authorities and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any duly constituted committee, including the Nomination and Remuneration Committee to exercise its powers conferred by this Resolution), consent of the Members be and is hereby accorded to the Board to extend the benefits and coverage of 'Aditya Birla Finance Ltd. Employee Stock Option Scheme 2022' ("Scheme 2022") (referred to in the resolution under item no. 2 of this Notice) to such eligible persons who are in employment of any present or future holding and subsidiary company (ies), if any, of the Company, whether working in India or outside India, including any managing or whole-time director(s) (but not including any Promoter (or member of the Promoter group) or an independent director) under Scheme 2022 in the manner mentioned in the resolution under item no. 2 of this Notice on such terms and conditions as may be fixed or determined by the Board in accordance with Applicable Laws as may be prevailing at that time.

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



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NOTES:

1. The Ministry of Corporate Affairs ('MCA') vide its various circulars issued from time to time have permitted the holding of the Extra Ordinary General Meeting ('EGM') through VC/OAVM till December 31, 2022.
2. The relevant explanatory statement pursuant to section 102 of Companies Act, 2013 with respect to special businesses set out in the Notice is annexed.
3. Since the EGM is being conducted through VC / OAVM, physical attendance of Members will be dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the EGM.
4. Members/ Proxies/Authorised Representatives should bring the Attendance Slip duly filled in for attending the Meeting and also their copy of the EGM Notice.
5. The Registers under the Companies Act, 2013 will be available for inspection by the members at the Extra Ordinary General Meeting of the Company.
6. 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.
7. Members may also note that the Notice of the Extra Ordinary General Meeting will also be available on the Company's website www.adityabirlafinance.com
8. All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on all working days except Saturdays, up to and including the date of Extra Ordinary General Meeting of the Company.
9. All the records, registers and documents which are required to be made available for inspection in electronic mode. Further, all documents referred to in the accompanying notice and the explanatory statement shall be available for inspection in electronic form during normal business hours on all working days (Monday to Friday) up to the date of the meeting.
10. As the matters under consideration are of an urgent nature, the meeting is called at a shorter notice after receipt of consent from the appropriate no. of Members entitled to vote at the Meeting pursuant to Section 101 of the Companies Act, 2013.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC / OAVM:

11. In case the EGM will be held through VC / OAVM, then the Members are requested to note and follow the following instructions for attending the EGM.
12. The EGM will be held using Microsoft Teams or such other application as the Company may decide. Link / invitation to join the meeting shall be communicated by the Company in due course of time.
13. Facility of joining the EGM through VC / OAVM shall open 30 minutes before the time scheduled for the EGM. Members attending the EGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

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14. The facility of participation at the EGM through VC / OAVM will be made available to all the Directors, Members, Statutory Auditors, Secretarial Auditors and Debenture Trustees.
15. Members who would like to express their views or ask questions during the EGM may register themselves as speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number at ankur.shah@adityabirlacapital.com at least 10 days prior to the date of EGM. Those Members who have registered themselves as speaker will only be allowed to express their views/ask questions during the EGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the EGM.
16. Members are requested to keep their Video ON at the time of voting to enable the Company to ascertain the votes cast on business transacted at the EGM. In case a Poll is demanded on any item, Members shall convey their Vote by sending e-mail to ankur.shah@adityabirlacapital.com.
17. In case you have any queries regarding the EGM or grievance connected with the VC / OAVM facility, you may contact the undersigned at ankur.shah@adityabirlacapital.com or on +91 9833180046.

**By order of the Board
For Aditya Birla Finance Limited**



**Ankur Shah
Company Secretary**

Place: Mumbai

Date: September 28, 2022

Registered Office: Indian Rayon Compound, Veraval, Gujarat 362266



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Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the business mentioned in the Notice of the Extra-Ordinary General Meeting of the Company

ITEM NO. 1

The Board of Directors of the Company at its meeting held on September 28, 2022 approved the proposal for undertaking Credit cards business as per the RBI circular dated April 21, 2022 (effective from July 1, 2022) subject to approval of Reserve Bank of India (RBI) as it would be commercially prudent for the Company to additionally carry on the business of issuance and operation of various card products in view of its strategy of retailization & digitalization of its book and deeper penetration in Tier 3 and below markets.

Currently, the Company's Main Object Clause is limited to lending activities and therefore, it needs to be suitably amended to cover the above line of business.

Thus, after the existing Clause 4 the clause pertaining to undertaking of credit card business shall be inserted.

The proposed changes in the object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013.

A copy of the proposed MOA of the Company would be available for inspection for the Members till the date of AGM.

The Board recommends the resolution given at Sr. No. 1 of this notice for approval of the members as a Special Resolution.

Pursuant to Section 102 of the Companies Act, 2013, it is confirmed that none of the Director(s) or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Resolution.

ITEM NOS. 2 & 3

The Board of directors ("Board") of the Company at its meeting held on September 28, 2022 based upon the recommendation of the Nomination & Remuneration Committee ("NRC Committee") approved introduction of 'Aditya Birla Finance Limited Employee Stock Option Scheme 2022' ("Scheme 2022") for the benefit of the eligible employees of the Company, including holding company and subsidiary(ies) as defined under the Companies Act 2013 ("the Act") read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 which entitles them to the equity shares of the Company, subject to the approval of the Members by a special resolution.

The Company aims to provide competitive remuneration opportunities to its employees, including through annual incentive plans and long-term incentive plans. The Company believes that the presence of a long-term incentive plan and the resulting employee ownership can facilitate a performance driven culture and contribute to the success of the Company. The Company views stock options as long-term incentive instruments to enable the employees to share the value they create for the Company in the years to come. Accordingly, the main objectives of Scheme 2022 are:

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- (i) to achieve sustained growth of the Company and create stakeholder value by aligning the interests of the employees with the long-term interests of the Company;
- (ii) to attract and retain talent, as well as to motivate the employees to contribute to its growth and profitability;
- (iii) to recognize and reward the efforts of employees and their continued association with the Company and its holding company and subsidiary company, if any; and
- (iv) to promote the culture of employee ownership, to enable the employees to have greater involvement in the existing plans of the Company and provide them an opportunity to share in the future growth and profitability of the Company, which should lead to improved employee engagement, motivation and retention.

In accordance with the Aditya Birla Group's ('ABG') philosophy of World of Opportunities, to enable continuity of service when employees get transferred to holding / subsidiary company, in line with the long-term employee engagement at all levels and with a view to leverage the power of One ABC, the Company intends to extend the benefits of Scheme 2022 to the eligible employees of its holding and subsidiary company(ies), if any. However, no fresh grants will be made to employees of the holding company other than subsidiary company(ies), if any.

This will enable the benefits and coverage of Scheme 2022 continued to be availed by any employee of the Company and its subsidiaries to whom grants have been made but who may in future get transferred to the holding company.

The Board has nominated the NRC Committee as the designated Committee for the administration and superintendence of Scheme 2022 in accordance with Applicable Laws.

Approval of the Members is being sought for grant of employee stock options to the eligible employees as may be determined by the NRC Committee.

In accordance with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 approval of Members by way of special resolution is required, for adoption of Scheme 2022, and also extending the benefits and coverage of Scheme 2022 to eligible employees of present and future holding company and subsidiary company(ies). Accordingly, separate resolutions are being passed for the above.

The relevant disclosures, as required under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 are as follows:

i) A brief description of the Scheme 2022	The Company aims to provide competitive remuneration opportunities to its employees, including through annual incentive plans and long-term incentive plans. The Company believes that the presence of a long-term incentive plan and the resulting employee ownership can facilitate a performance driven culture and contribute to the success of the Company.
ii) Total number of Options to be granted:	The aggregate number of Stock Options proposed to be granted under Scheme 2022, shall be exercisable into not more than 25,57,812 Equity Shares, being 0.39% of the paid-up equity share capital of the Company as on the date of the adoption of this Scheme 2022 (or such other number adjusted in terms of change in capital structure and other corporate actions or such other number as may be approved by the Board and the shareholders of the Company from time to time), in one or more tranches, whereby each such Option confers a right upon the Grantee to apply for 1 (one)

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	<p>Equity Share, in accordance with the terms and conditions of the Scheme 2022. However, the aggregate number of Options that may be granted to a single Employee under the Scheme 2022 shall not exceed 1% (one percent) of the paid-up equity share capital of the Company at the time of Grant (which shall be adjusted in lieu of adjustments/re-organisation of capital structure of the Company from time to time).</p> <p>In case of any corporate action(s) such as rights issue, bonus issue, merger and sale of division, split or consolidation and others, the Company shall make a corresponding fair and reasonable adjustment in accordance with Applicable Law, if any to:</p> <ol style="list-style-type: none"> the number or nominal amount of Options to which the Scheme 2022 applies (insofar as they are unexercised); and/or the Option Exercise Price; and/or the number of Shares underlying an Option; and/or the method of Exercise of any Option; and/or the maximum number of Shares referred to in Clause 3.1 of the Scheme. <p>Stock Options not vested due to non-fulfilment of the vesting conditions, vested Options which the grantees expressly refuse to exercise, Options (vested and not exercised and unvested) which have been surrendered and any Options granted but not vested or exercised within the stipulated time due to any reasons, shall lapse and these Options or the underlying Equity Shares will be available for grant by the NRC Committee to any employee(s) as it may deem fit in its absolute discretion, whether under the Scheme 2022 or any amendment thereto or under a new scheme, as a fresh grant, subject to compliance with provisions of the Applicable laws.</p>
<p>iii) Identification of Classes of employees entitled to participate in the Scheme 2022:</p>	<ol style="list-style-type: none"> a permanent employee of the Company, who is working in India or outside India; or an executive Director (including managing director) of the Company, whether in India or outside India, of the Company; or an employee as defined in sub-clauses (a) above, of a Subsidiary Company, in India or outside India, or of a Holding Company of the Company, <p>but does not include—</p> <ol style="list-style-type: none"> an employee who is a Promoter or belongs to the Promoter Group; a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% (ten percent) of the outstanding equity Shares of the Company.

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<p>iv) Appraisal process for determining the eligibility of the employees to the Scheme 2022</p>	<p>The appraisal process for determining the eligibility of the Employees will be specified by the NRC Committee and will be based on criteria such as role/level of the Employee, past performance record, future potential of the Employee, balance number of years of service until normal retirement age and/or such other criteria that may be determined by the NRC Committee at its sole discretion.</p> <p>The NRC Committee may, at its discretion, extend the benefits under the Scheme 2022 to the employees of the Subsidiary Company(ies) and Holding Company, in accordance with the provisions of Applicable Law.</p>
<p>v) Requirements of Vesting and period of Vesting</p>	<p>The Options Granted under the Scheme 2022 shall Vest not earlier than 1 (one) year in one or more tranche and not later than 4 (four) years, subject to compliance with the minimum Vesting Period of 1 (one) year from the Grant Date, in the manner set out in the Letter of Grant to be issued by the Company to the Grantees.</p> <p>Notwithstanding anything contained hereinabove, in case of death or Permanent Incapacity of a Grantee, the minimum Vesting Period of one year shall not apply.</p> <p>Provided that in case where Options are granted by the Company under this Scheme 2022 in lieu of options held by a person under an employee stock option scheme in another company which has merged or amalgamated with the Company, the period during which the options granted by the transferor company were held by the person shall be adjusted against the minimum Vesting Period set out above.</p> <p>Notwithstanding anything contained hereinabove, the vesting of Stock Options shall be subject to, among other things:</p> <ul style="list-style-type: none"> (i) a minimum of 1 (one) year has completed from Grant Date, and (ii) the Grantee is (a) in continuous employment with the Company (or its Holding Company or Subsidiary Company); (b) is not serving any notice of resignation/ termination on the date of such Vesting. Provided that the vesting condition set out in (b) above shall not apply in case the Grantee is serving any notice of resignation/ termination on the date of such Vesting due to: (a) Permanent Incapacity suffered by the Grantee (b) Retirement; or (c) transfer or deputation to a Holding Company or Subsidiary Company; and (iii) is not subject to any pending disciplinary proceeding. <p>In addition to this, the NRC Committee may also specify certain Performance Parameters subject to which the Options would Vest.</p> <p>The specific Vesting schedule and conditions, if any, subject to which Vesting would take place would be outlined in the</p>

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	<p>Letter of Grant given to the Grantee at the time of the Grant of Options.</p> <p>The NRC Committee may, subject to Applicable Law, (i) subject to compliance with the minimum Vesting Period of 1 (one) year, accelerate the Vesting of the Options granted in case of exceptional performance of an Employee or class of Employees or such other exceptional circumstances as may be decided by the NRC Committee; or (ii) modify the Vesting schedule in respect of the Options already Granted, in the event it is found that (a) the Grantee has not satisfied any Vesting Condition; or (b) the Grantee has not met the Performance Parameters; or (c) has not performed up to the expectations; or (d) has not been regularly attending the office for a substantial period of time without any valid reason or authority; or (e) has been put on a modified employment arrangement such as part-time working, reassignment to lower accountability, sabbatical, leave without pay; or (f) is found to be guilty of fraud or misconduct; or (g) has violated the Company Policies/Terms of Employment or the ESOS Code of Conduct; or (h) on account of such other circumstances as the NRC Committee may in its absolute discretion decide, subject to Applicable Laws.</p>
vi) The maximum period within which the options shall be vested	The Options Granted under the Scheme 2022 shall Vest not earlier than 1 (one) year in one or more tranche and not later than 4 (four) years, subject to compliance with the minimum Vesting Period of 1 (one) year from the Grant Date, in the manner set out in the Letter of Grant to be issued by the Company to the Grantees.
vii) Exercise Price or pricing formula for Options	<p>The Option Exercise Price shall be the price mentioned in the Letter of Grant and payable by the Grantee for exercising the Option Granted, or as may be determined by the NRC Committee, provided that the Exercise Price per Option shall not be less than the face value of the Shares as on the date of Grant of Options.</p> <p>The Exercise Price, as determined by the NRC Committee will be appropriately specified in the relevant Letter of Grant given to the Grantee at the time of the Grant of Options. Provided that the Option Exercise Price shall be in compliance with the accounting standards specified under Applicable Laws, including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time.</p>
viii) Exercise Period and process of exercise	The Vested Options shall be capable of being Exercised upon Listing or any time thereafter, subject to be maximum period of 5 (five) years from the original Grant Date. Subject to Applicable Laws and occurrence of Listing, NRC Committee

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may determine (and communicate to the Grantee) from time to time any other period for Exercise of the Vested Options.

During the Exercise Period relating to each Vesting, the Vested Options can be Exercised in one or more tranches as determined by the NRC Committee.

The Grantee may, at any time during the Exercise Period, and subject to fulfillment of conditions of the Grant, Vesting and Exercise, as applicable, Exercise the Options by submitting the Exercise Application to the Company for issuance of Equity Shares pursuant to the Vested Options, accompanied with the:

- (i) payment of an amount equivalent to the Exercise Price, as the case may be, in respect of such Equity Shares; and
- (ii) such other documentation as the NRC Committee may specify to confirm extinguishment of the rights comprising in the Options then Exercised, subject to Applicable Law.

The Exercise Application shall be in such form as may be prescribed in this regard by the NRC Committee and the NRC Committee may determine the procedure for such Exercise from time to time.

In the event Listing does not occur within 5 (five) years from the original Grant Date, then all the Options (Vested and Unvested) of all Grantees shall lapse, including in case of (a) death of the Grantee; (b) Permanent Incapacity suffered by the Grantee; (c) Retirement; (d) cessation of employment; or (e) transfer or deputation to a Holding Company or Subsidiary Company. Further, the Board or the NRC Committee may, at its sole discretion, and in accordance with Applicable Laws and taking into consideration various factors as deemed relevant, the Board or NRC Committee may formulate appropriate policy as regards the benefit/treatment to be provided to the Grantees, including but not limited to the following, or any other action as deemed fit by Board or NRC Committee which may be provided in the Letter of Grant or through separate intimation to the Grantees:

- (a) Providing a one-time cash-out of the lapsed Options to each of the Grantees that were Vested till the end of the 5 (five) years from the original Grant Date which may be provided in the Letter of Grant and as decided by Board or NRC Committee; or
- (b) Extension of the Exercise Period applicable for the purpose of this Scheme 2022, to such extended period as may be determined by the Board or NRC Committee, and separately intimated in writing to the Grantees.

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(A subsidiary of Aditya Birla Capital Ltd.)
R-Tech Park, 10th Floor, Nirlon Complex, Off Western Express Highway,
Goregaon East, Mumbai 400 063.

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ix) The lock in period if any	<p>There will be no Lock-In Period in respect of the Equity Shares, which may be issued upon Exercise of the Vested Stock Options Granted pursuant to Scheme 2022.</p> <p>The Equity Shares resulting from the exercise of the accelerated Vested Options may be subject to a Lock-in Period of 1 (one) year from the date of allotment or transfer, as applicable, if so specified in the Accelerated Vesting Letter.</p>
x) Maximum number of options to be granted per employee and in aggregate	<p>As covered in point (ii)</p> <p>The maximum number of Stock Options that can be granted to a single Employee under Scheme 2022 shall not exceed 1% of the paid-up equity share capital of the Company at the time of grant.</p>
xi) The method which the Company shall use to value its options	<p>The Company shall value the Options as per Applicable Law and will make the necessary disclosures as may be required in this regard under Applicable Law.</p>
xii) The Conditions under which option vested in employees may lapse. e.g. in case of termination of employment for misconduct	<p>Upon the occurrences of certain events, the Stock Options may lapse, including and not limited to:</p> <ol style="list-style-type: none"> a. Termination of employment within 1 year b. In case of breach of Company policies or terms of employment or for cessation of employment other than due to death, permanent incapacity, retirement, resignation as Good Leaver; c. Employee surrendering the Stock Options d. Non-fulfillment of vesting conditions (time or performance conditions). e. Stock Options vested, (including situations such as death or permanent incapacity), if not exercised within the time period specified in the grant letter or on such conditions as may be specified by the NRC Committee, shall lapse.
xiii) The 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.	<p>All Vested Stock Options as on such date shall, at the discretion of the NRC Committee, be exercisable by the Grantee within the period specified in the relevant Vesting Letter or Grantee's last working day whichever is earlier.</p>
xiv) Disclosure of Accounting Policies	<p>Company shall comply with such applicable disclosure and accounting policies as prescribed by the Companies Act and / or the SEBI SBEB Regulations, as may be applicable and those prescribed by the concerned authorities from time to time.</p>
xv) Implementation and Administration	<p>The Scheme 2022 shall be operated and administered by the NRC Committee. All questions of interpretation, dispute, discrepancy or disagreement which shall arise under, or as a result of, or pursuant to, or in connection with the Scheme 2022 or any Option shall be referred to the NRC Committee</p>

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	and shall be determined by the NRC Committee and such determination or interpretation shall be final and binding upon all persons (including, but not limited to, Employees and their nominee(s) or legal heir(s)) having an interest in or affected by the Scheme 2022 or such Option.
xvi) Whether the Scheme 2022 involves new issue of Equity Shares by the Company or secondary acquisition or both.	The Scheme 2022 will involve fresh issue of Equity Shares by the Company.
xvii) Transferability of Stock Options	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 a Stock Option holder while in employment, the right to exercise all the Stock Options granted to him till such date shall be transferred to his legal heirs or nominees. Options Granted under this Scheme 2022 to an Employee shall not be transferable to any person. However, the Equity Shares, which may be issued to the Grantee upon Exercise of the Options Granted pursuant to this Scheme 2022, shall be subject to the transfer restrictions under the articles of association of the Company or such lock-in restrictions if required under Applicable Laws. However, Employees are required to always adhere to Applicable Law, Company Policies/Terms of Employment and the ESOS Code of Conduct while dealing in the Equity Shares or exercising any rights there under.
xviii) Other Terms	<p>Subject to Applicable Law, the NRC Committee may modify/amend the Scheme 2022 in such manner and at such time or times as it may deem fit or comply with regulatory changes, subject however that any such modification/amendment shall not be detrimental to the interest of the Grantees and approval wherever required for any modification/amendment is obtained from the shareholders of the Company in terms of Applicable Law.</p> <p>Subject to the approval of the Recognised Stock Exchange(s), the Equity Shares issued upon exercise of the Vested Stock Options, as the case may be, shall be listed on such Recognised Stock Exchange(s) and to that extent relevant SEBI Regulations shall be complied with.</p> <p>An Employee may surrender his Stock Options (Vested and un-Exercised and Unvested) at any time during his employment with the Company till the Scheme 2022 remains in effect. Any Employee willing to surrender his Stock Options shall communicate the same, in writing, to the NRC Committee. Thereafter the surrendered Stock Options shall lapse or expire with effect from the date of surrender and the underlying Shares shall become available for future Grant in the form of Stock Options as per discretion of NRC</p>

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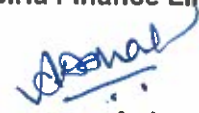
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	Committee. Further the Company shall comply with the applicable accounting standards as required under Applicable Laws.
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Pursuant to Section 102 of the Companies Act, 2013, it is confirmed that none of its Director(s) or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, except to the extent of the ESOPs to be granted to them in the ordinary course / part of their remuneration.

The Board thereby recommends passing of the resolutions as set out under Item Nos. 2 and 3 of this Notice for approval of the members as special resolutions.

By order of the Board
For Aditya Birla Finance Limited



Ankur Shah
Company Secretary

Place: Mumbai
Date: September 28, 2022



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