



March 04, 2025

To,
The Listing Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001

To,
The Listing Department
National Stock Exchange of India Ltd.,
Exchange Plaza,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400051

Dear Sir,

Sub: Notice of the Extraordinary General Meeting

Ref: Tata Capital Limited

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the Notice of the Extraordinary General Meeting (“EGM”) of the Shareholders of the Company scheduled to be held on Thursday, March 27, 2025 at 10:00 a.m. through Video Conferencing / Other Audio Visual Means, to transact the businesses as stated in the Notice of the EGM dated February 25, 2025.

In compliance with the relevant circulars issued by Ministry of Corporate Affairs, the said Notice has been sent today i.e. March 04, 2025 through electronic mode to the Shareholders of the Company.

The remote e-voting period will commence on Sunday, March 23, 2025, from 9.00 a.m. (IST) and ends on Wednesday, March 26, 2025, at 5.00 p.m. (IST).

The Notice of EGM is available on the Company’s website at www.tatacapital.com.

This is for your information and records.

Thanking you,

Yours faithfully,
For **Tata Capital Limited**

Sarita Kamath
Head – Legal and Compliance & Company Secretary

TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tata Capital Limited

Registered Office: 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013

CIN: U65990MH1991PLC060670

Telephone: (022) 6606 9000 | Fax: (022) 6656 2699 | Website: www.tatacapital.com

NOTICE

NOTICE IS HEREBY GIVEN THAT AN EXTRAORDINARY GENERAL MEETING OF THE MEMBERS OF TATA CAPITAL LIMITED will be held on Thursday, March 27, 2025 at 10:00 a.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

1. Initial Public Offer of Equity Shares of the Company

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 23, 62(1)(c) and all other applicable provisions of the Companies Act, 2013, and the rules and regulations made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force), including the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the Companies (Share Capital and Debentures) Rules, 2014, as amended (collectively the **"Companies Act"**), and in accordance with and subject to the provisions of the Securities Contracts (Regulation) Act, 1956, (**"SCRA"**) and the Securities Contracts (Regulation) Rules, 1957 (**"SCRR"**), each as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the **"SEBI ICDR Regulations"**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**"SEBI Listing Regulations"**), the Foreign Exchange Management Act, 1999, as amended, and the rules and regulations made thereunder, as amended, including the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Government of India (**"Gol"**), including the Department for Promotion of Industry and Internal Trade (**"DPIIT"**), the Securities and Exchange Board of India (**"SEBI"**), Reserve Bank of India (**"RBI"**) and any other applicable laws, rules and regulations, in India or outside India (including any amendment thereto or re-enactment thereof for the time being in force) (collectively, the **"Applicable Laws"**), and in accordance with the provisions of the memorandum of association (**"Memorandum of Association"**) and the articles of association (**"Articles of Association"**) of the Company and the uniform listing agreements to be entered into between the Company and the respective stock exchanges where the Equity Shares are proposed to be listed (the **"Stock Exchanges"**), and subject to any approvals, consents, permissions and sanctions as may be required from the Gol, the Registrar of Companies, Maharashtra at Mumbai (**"RoC"**), the SEBI, RBI, DPIIT, Ministry of Commerce and Industry and all other appropriate statutory authorities and departments (collectively, the **"Regulatory Authorities"**) and subject to such governmental and regulatory conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, waivers, consents, permissions and sanctions and which may be agreed to by the board of directors of the Company (the **"Board"** which term shall include a duly authorized committee thereof for the time being exercising the powers conferred by the Board including the powers conferred by this resolution), the consent and approval of the shareholders of the Company be and is hereby accorded to create, issue, offer, allot upto 23,00,00,000 (Twenty Three crore) Equity Shares by way of a fresh issue of Equity Shares (the **"Fresh Issue"**) together with an offer for sale by certain existing shareholders, (the **"Offer"**), as may be determined at the Board's absolute discretion after considering the prevailing market conditions and other relevant factors, for cash either at par or premium (with an option to the Company to retain an over-subscription to the extent of 1% of the net Offer or such other extent as may be permitted under the Applicable Laws, for the purpose of rounding off to the nearest integer to make allotment while finalizing the basis of allotment in consultation with the designated stock exchange) including any issue and allotment of Equity Shares to the stabilizing agent pursuant to a green shoe option, if any, in terms of the SEBI ICDR Regulations, at a price to be determined, by the Company, in consultation with the book running lead managers (**"BRLMs"**), through the book building process in terms of the SEBI ICDR Regulations or otherwise in accordance with Applicable Laws, at such premium or discount per Equity Share as permitted under Applicable Laws and as may be fixed and determined by the Company in consultation with the BRLMs in accordance with the SEBI ICDR Regulations (the **"Offer Price"**), to any category of person or persons who are eligible investors as permitted under Applicable Laws."

"RESOLVED FURTHER that the Board be and is hereby authorized to do all such acts, matters, deeds and things and to negotiate, finalise and execute such deeds, documents and agreements, as it may, in its absolute discretion, deem necessary, proper or desirable in relation to the Offer and the consequent listing of the Equity Shares on the recognized Stock Exchanges on behalf of, and in the best interests, of the Company, including determination of the terms of the Offer, the timing, size and price, in terms of the SEBI ICDR Regulations or otherwise in accordance with Applicable Laws,

at such premium or discount per Equity Share as may be fixed and determined by the Board in consultation with the BRLMs in accordance with the SEBI ICDR Regulations, to any category of persons who are eligible investors, who may or may not be the shareholder(s) of the Company, as the Board may decide in consultation with the BRLMs including anchor investors and qualified institutional buyers, if any, as defined under Regulations 2(1)(c) and 2(1)(ss) respectively of the SEBI ICDR Regulations, non-resident/resident investors whether they are one or more of the members of the Company, eligible employees (through a reservation or otherwise), Hindu undivided families, foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, venture capital funds, alternative investment funds, non-resident Indians, state industrial development corporations, insurance companies, registered with the Insurance Regulatory and Development Authority of India, provident funds with a minimum corpus of twenty five crore rupees, pension funds with a minimum corpus of twenty five crore rupees registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund, insurance funds set up by army, navy, or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India, registered with the Insurance Regulatory and Development Authority of India, trusts/societies registered under the Societies Registration Act, 1860, as amended, multilateral and bilateral development financial institutions, systemically important non-banking financial companies, Indian mutual funds, Indian public, bodies corporate, companies (private or public) or other entities (whether incorporated or not), authorities, and to such other persons including high net worth individuals, retail individual bidders or other entities, in one or more combinations thereof and/or any other category of investors as may be permitted to invest under Applicable Laws by way of the Offer (collectively, the “**Investors**”), in consultation with the BRLMs and/or underwriters and/or the stabilizing agent, pursuant to a green shoe option, if any, in accordance with the SEBI ICDR Regulations and/or other advisors or such persons appointed for the Offer and on such terms and conditions as may be finalised by the Board in consultation with the BRLMs through an offer document, prospectus and/or an offering memorandum, as required, including the decision to determine the category or categories of investors to whom the allotment/transfer shall be made to the exclusion of all other categories of investors and in such manner as the Board may in its discretion, deem fit, including in consultation with BRLMs, underwriters and/or other advisors as may be appointed for the Offer on such terms as may be deemed appropriate by the Board as permissible under Applicable Law, and that the Board in consultation with the BRLMs may finalise all matters incidental thereto as it may in its absolute discretion think fit and proper in the best interest of the Company, without requiring any further approval of the members.”

“**RESOLVED FURTHER THAT** the Offer may include, without limitation, issuance and allotment of Equity Shares to a stabilising agent pursuant to a green shoe option, if any, in terms of the SEBI ICDR Regulations and reservation of a certain number of Equity Shares to be issued to such person or persons, who may or may not be the members of the Company and as the Board may at its discretion decide in consultation with the BRLMs and as may be permissible under Applicable Laws.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized on behalf of the Company to make available for allocation a portion of the Offer to any category(ies) of persons permitted under Applicable Law (the “**Reservation**”) or to provide a discount to the Offer price as may be decided (the “**Discount**”), at the discretion of the Board; and to take any and all actions in connection with any Reservation or Discount as the Board may think fit or proper in its absolute discretion, including, without limitation, to negotiate, finalize and execute any document or agreement, and any amendments, supplements, notices or corrigenda thereto; seek any consent or approval required or necessary; give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, think necessary, appropriate, or desirable; and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing.”

“**RESOLVED FURTHER THAT** the Equity Shares so allotted or transferred pursuant to the Offer shall be listed on one or more recognized stock exchanges in India.”

“**RESOLVED FURTHER THAT** the Equity Shares so allotted under the Fresh Issue (including any reservation) shall be subject to the Memorandum of Association and the Articles of Association of the Company, as applicable and shall rank pari passu in all respects with the existing Equity Shares of the Company including rights in respect of dividend.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions and any transfer and allotment of Equity Shares pursuant to the Offer, the Board, in consultation with the BRLMs, may determine the terms of the Offer including the class of investors to whom the Equity Shares are to be allotted or transferred, the number of Equity Shares to be allotted or transferred, Offer price, premium amount, discount (as allowed under Applicable Laws), listing on one or more stock exchanges in India as the Board in its absolute discretion deems fit and do all such acts, deeds, matters and things and to negotiate, finalize and execute such deeds, documents agreements and any amendment thereto, as it

may, in its absolute discretion, deem necessary, proper or desirable including arrangements with BRLMs, underwriters, escrow agents, legal advisors, etc., to approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise, in regard to the Offer, transfer and allotment of the Equity Shares, and utilization of the Offer proceeds, if applicable and such other activities as may be necessary in relation to the Offer and to accept and to give effect to such modifications, changes, variations, alterations, deletions and/or additions as regards the terms and conditions as it may, in its absolute discretion, deem fit and proper in the best interest of the Company and the Offer.”

“RESOLVED FURTHER THAT all monies received out of the Offer be transferred to a separate bank account opened for the purpose of Offer, referred to in Section 40(3) of the Companies Act, 2013, and application monies received pursuant to the Offer be refunded within such time, as specified by SEBI and in accordance with Applicable Laws, or the Company and/or the selling shareholders pay interest on failure thereof, as per Applicable Laws.”

“RESOLVED FURTHER THAT subject to compliance with Applicable Laws such Equity Shares as are not subscribed and/or not transferred by way of the Offer, may be disposed off by the Board in consultation with the BRLMs to such persons and in such manner and on such terms as the Board in its absolute discretion thinks most beneficial to the Company including offering or placing them with banks/financial institutions/investment institutions/mutual funds/bodies corporate/foreign portfolio investors/such other persons or otherwise.”

“RESOLVED FURTHER THAT the Board, on behalf of the Company, be and is hereby severally or jointly authorized to do such acts, deeds and things as the Board in its absolute discretion deems necessary or desirable in connection with the Offer and to delegate all or any of the powers herein conferred in such manner as it may deem fit, to execute and deliver any and all other documents, papers or instruments, issue and provide certificates and to do or cause to be done any and all acts or things as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions for the Offer; and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be.”

“RESOLVED FURTHER THAT any of the Directors and/or Key Managerial Personnel of the Company is authorised to certify the true copy of the aforesaid resolution which may be forwarded to any concerned authorities for necessary action.”

2. Increase in Investment Limits for Non-Resident Indians and Overseas Citizens of India

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the applicable provisions of Foreign Exchange Management Act, 1999, as amended, Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (the “**FEMA Regulations**”), and the Consolidated FDI Policy Circular of 2020 dated October 15, 2020, as amended, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, (together with the FEMA Regulations, and applicable master directions/circulars issued by the Reserve Bank of India (as amended from time to time) the “**FEMA Laws**”), the Companies Act, 2013 and the rules and regulations made thereunder, each as amended (collectively referred to as the “**Companies Act**”) (including any statutory modification or re-enactment thereof for the time being in force), all other applicable acts, rules, regulations, provisions and guidelines (including any statutory notifications or re-enactments thereof for the time being in force), and subject to all applicable approvals, permissions and sanctions, guidelines, circulars of and/or filings with the Reserve Bank of India (“**RBI**”), the Ministry of Finance, the Ministry of Corporate Affairs, Government of India and other concerned authorities and subject to such conditions as may be prescribed by any of the said concerned authorities while granting such approvals, permissions or sanctions which may be agreed to by the Company, the limit of investment by Non-Resident Indians (“**NRI**”) and Overseas Citizens of India (“**OCI**”) in the paid-up equity share capital of the Company including, without limitation, on repatriation basis, on a recognised stock exchange in India by subscription in the initial public offering in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, or direct purchase or acquisition from the open market or otherwise, is increased from 10% to 24% of the paid-up equity share capital of the Company, provided however that the shareholding of each NRI or OCI in the Company shall not exceed 5% of the total paid-up equity share capital of the Company on a fully diluted basis or such other limit as may be stipulated by RBI in each case, from time to time and the total shareholding of all NRIs and OCIs in the Company shall not exceed 24% of the paid-up equity share capital on a fully diluted basis or such other limit as may be stipulated by RBI in each case, from time to time.”

“RESOLVED FURTHER that the Board of Directors, be and is hereby authorized to do all such acts, deeds and things as may be required and take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

“RESOLVED FURTHER that any of the Directors and/or any Key Managerial Personnel of the Company is authorised to certify the true copy of the aforesaid resolution which may be forwarded to any concerned authorities for necessary action.”

3. Amendment to Employee Stock Options Scheme

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED that pursuant to the provisions of Section 62(1)(b) of the Companies Act, 2013 (the **“Act”**) read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 (**“Rules”**), and all other applicable provisions, if any, of the Act and Rules, the applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the **“SEBI SBEB & SE Regulations”**) and other applicable laws, rules, regulations, circulars and guidelines of various statutory / regulatory authority(ies) (collectively referred to as **“Applicable Laws”**), the Memorandum of Association and Articles of Association of the Company, and subject to any other approvals, consents, permissions and sanctions, as may be necessary, the consent of the Members of the Company, be and is hereby accorded to (i) the amendment of the Employee Stock Option Scheme (**“Scheme”**), as per the details set out in the Explanatory Statement attached hereto; and (ii) fix the maximum number of options that can be granted under the Scheme, i.e. upto 10,60,00,000 options in aggregate and upto 1,06,00,000 options per employee under the scheme.”

“RESOLVED FURTHER that it is hereby noted that the amendments to the Scheme, as a whole, are not prejudicial to the interests of holders of Options and the Eligible Employees in each case, as defined under the Scheme.”

“RESOLVED FURTHER that the Board of Directors of the Company (which term shall be deemed to include the Nomination and Remuneration Committee or any other Committee of the Board of Directors duly authorised by the Board, to exercise its powers including powers conferred by this Resolution), be and is hereby authorized to settle all questions, difficulties or doubts that may arise in relation to the implementation of the Scheme and to do all acts, deeds and things as may be required, necessary, expedient, incidental or desirable for giving effect to the amendment of the Scheme and that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

4. Material Related Party Transaction(s) with Tata Steel Limited

To consider, and if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Regulation(s) 23(4), 2(1)(zc) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI LODR”**), as amended from time to time, the applicable provisions of the Companies Act, 2013, if any, read with related rules, if any, as amended from time to time, and the Company’s Policy on Related Party Transactions, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (**“Board”**), which term shall be deemed to include any Committee constituted/empowered/to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to continue with the existing contract(s)/arrangement(s)/transaction(s) and/or enter into and/or execute new contract(s)/ arrangement(s)/transaction(s), (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), the details of which are mentioned in the explanatory statement, with Tata Steel Limited (**“Tata Steel”**), being an associate company of Tata Sons Private Limited (Promoter of the Company) and accordingly, a related party of the Company under Regulation 2(1)(zb) of the SEBI LODR, on such terms and conditions as may be agreed between the Company and Tata Steel for an aggregate value up to Rs. 10,000 crore during FY 2025-26, for factoring of receivables from customers of Tata Steel being offered under the Company’s Corporate Program along with other financial facilities such as Leasing, subject to such contract(s)/ arrangement(s)/transaction(s) being carried out at arm’s length and in the ordinary course of business of the Company.”

“RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members 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 delegate all or any of the powers herein conferred, to any Director(s) or Key Managerial Personnel or any other Officer(s) as Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).”

“RESOLVED FURTHER THAT all actions taken by the Board, or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved and confirmed in all respects.”

5. Material Related Party Transaction(s) with Tata Consultancy Services Limited

To consider, and if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Regulation(s) 23(4), 2(1)(zc) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI LODR”**), as amended from time to time, the applicable provisions of the Companies Act, 2013, if any, read with related rules, if any, as amended from time to time, and the Company’s Policy on Related Party Transactions, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (**“Board”**), which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to continue with the existing contract(s)/arrangement(s)/transaction(s) and/or enter into and/or execute new contract(s)/ arrangement(s)/ transaction(s), (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), the details of which are mentioned in the explanatory statement, with Tata Consultancy Services Limited (**“TCS”**), being a subsidiary company of Tata Sons Private Limited (Promoter of the Company) and accordingly, a related party of the Company under Regulation 2(1)(zb) of the SEBI LODR, on such terms and conditions as may be agreed between the Company and TCS for an aggregate value upto Rs. 5,300 crore during FY 2025-26, for borrowing through various means such as Term Loans, Intercompany Deposit, Non-Convertible Debentures etc., availing Information Technology (**“IT”**) related services, purchase of hardware/software and providing leasing facilities, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm’s length and in the ordinary course of business of the Company.”

“RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members 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 delegate all or any of the powers herein conferred, to any Director(s) or Key Managerial Personnel or any other Officer(s) as Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).”

“RESOLVED FURTHER THAT all actions taken by the Board, or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved and confirmed in all respects.”

By Order of the Board of Directors
For **Tata Capital Limited**

Sarita Kamath
Head - Legal and Compliance
& Company Secretary

Mumbai, February 25, 2025

Registered Office:

11th Floor, Tower A, Peninsula Business Park,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai 400 013

NOTES:

1. The relevant Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 (“**Act**”) read with Section 110 of the Act and the Companies (Management and Administration) Rules, 2014 (“**Rules**”), as amended, setting out the material facts relating to the aforesaid Resolution and the reasons thereof is annexed hereto and forms part of this Notice.
2. The Ministry of Corporate Affairs (“**MCA**”) has vide its General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, and subsequent circulars issued in this regard, the latest being 9/2024 dated September 19, 2024 (collectively referred to as MCA Circulars), permitted the holding of the EGM through VC/OAVM, without the physical presence of the Members at a common venue. The deemed venue for the EGM will be 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013.
3. In compliance with the applicable provisions of the Act read with aforesaid MCA Circulars, the EGM of the Company is being held through VC/OAVM.
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this EGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, pursuant to the MCA Circulars, the facility for appointment of proxies by the Members will not be available for this EGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, etc.) are required to send a scanned copy (PDF Format) of its Board or Governing body Resolution/Authorization, etc. with attested specimen signature of the duly authorised signatory(ies), authorizing its representative to attend this EGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to cs@parikhassociates.com with a copy marked to investors@tatacapital.com.
6. The Members can join the EGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
7. The facility of participation at the EGM through VC / OAVM will be made available for 1,000 members on first come first serve basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc., who are allowed to attend the EGM without restriction.
8. The Members attending the EGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. Since the EGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
10. The relevant Registers and all other documents referred to in this Notice will be available for inspection by the Members without any fee, at the Registered Office of the Company during normal business hours on any working day (except Saturday and Sunday) and also during the Meeting. The Members can send a request to the Company at investors@tatacapital.com to inspect the same.
11. To support the “Green Initiative”, Members who have not registered their e-mail addresses are requested to register the same with the Company’s Registrar and Transfer Agent, MUFG Intime India Private Limited (*formerly known as Link Intime India Private Limited*) / their Depository Participants, in respect of shares held in physical / electronic mode, respectively.
12. In compliance with the aforesaid MCA Circulars, Notice of the EGM is being sent only through electronic mode to all the Members whose e-mail addresses are registered with the Depositories and the same is also available on the website of the Company at www.tatacapital.com. The Notice of EGM can also be accessed on the website of the National Stock Exchange of India Limited at www.nseindia.com and BSE at www.bseindia.com, respectively, and website of National Securities Depository Limited (“NSDL”) at www.evoting.nsdl.com.
13. Process for Registration of e-mail addresses:
 - A. One-time registration of e-mail address with RTA for receiving the Notice and casting votes electronically:

As part of Company’s green initiative and to facilitate Members to receive this Notice electronically, the Company has made special arrangements with its RTA for registration of e-mail addresses.

Eligible Members who have not registered their e-mail addresses with the RTA, are required to provide the same to the RTA, on or before 5:00 pm (IST) on March 18, 2025.

B. Process to be followed for one-time registration of e-mail address is as follows:

- a) Visit the link: https://web.in.mpms.mufg.com/EmailReg/Email_Register.html
- b) Select the name of the Company from drop-down: Tata Capital Limited.
- c) Enter details in respective fields such as DP ID and Client ID (if shares held in electronic form), Shareholder name, PAN, mobile number and e-mail id.
- d) System will send One Time Password ('OTP') on mobile no. and e-mail id.
- e) Enter OTP received on mobile no. and e-mail id and submit.
- f) The system will then confirm the email address for the limited purpose of service of Postal Ballot Notice

After successful submission of the e-mail address, NSDL will e-mail a copy of this Notice along with the e-voting user ID and password. If you are an Individual shareholder holding shares in demat mode, you are requested to refer to the login method explained at point no. 17 below i.e. Login method for e-voting for individual shareholders holding shares in demat mode. In case of any queries, Members may write to evoting@nsdl.com.

C. Registration of e-mail address permanently with DP:

Members are requested to register the e-mail address with their concerned DPs, in respect of electronic holding. Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/ updated with their DPs to enable servicing of notices/ documents and other communications electronically to their e-mail address in future.

Members who have not yet registered their e-mail addresses are requested to register the same with their DP in case the shares are held by them in electronic form.

14. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DP if the shares are held by them in electronic form.
15. The holders of Cumulative Redeemable Preference Shares ("CRPS") can attend the EGM but are not entitled to vote on the items set out in the Notice.
16. Instructions for e-voting and joining the EGM through VC / OAVM are, as under:

A. Process and manner for Members voting through Electronic means

- (i) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the Circulars issued by the MCA 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, and subsequent circulars issued in this regard, the latest being 9/2024 dated September 19, 2024 (collectively referred to as MCA Circulars), the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the EGM will be provided by NSDL and CDSL. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut Off Date of March 20, 2025, shall be entitled to avail the facility of remote e-voting as well as voting at the EGM. Any recipient of the Notice who has no voting rights as on the Cut Off Date, shall treat this Notice as intimation only.
- (ii) A person who has acquired the shares and has become a Member of the Company after the dispatch of the Notice of the EGM and prior to the Cut Off Date i.e. March 20, 2025, shall be entitled to exercise his/her vote electronically i.e. remote e-voting by following the procedure mentioned in this part.
- (iii) The remote e-voting will commence on March 23, 2025 at 9:00 a.m. and will end on March 26, 2025 at 5:00 p.m. During this period, the Members of the Company holding shares either in physical form or in demat form as on the Cut-Off Date i.e. March 20, 2025, may cast their vote electronically.
- (iv) Once the vote on a resolution is cast by the Member by remote e-voting prior to the EGM, he/she shall not be allowed to change it subsequently or cast the vote again.





- (v) The facility of voting through electronic means would also be made available at the EGM and the Members present in the EGM through VC/OAVM facility who have not already cast their votes by remote e-voting shall be able to exercise their right of voting through e-voting system during the Meeting. The Members who have already cast their vote by remote e-voting prior to the Meeting, may also attend/participate in the EGM through VC/OAVM but shall not be entitled to cast their vote again.
- (vi) The remote e-voting module on the day of the EGM shall be disabled by NSDL for voting, 15 minutes after the conclusion of the Meeting.
- (vii) The voting rights of the Members shall be in the proportion to their share in the paid-up equity share capital of the Company as on the Cut Off Date of March 20, 2025.
- (viii) The Company has appointed Mr. P. N. Parikh (FCS No. 327; COP No. 1228) or failing him, Mr. Mitesh Dhaliwala (FCS No. 8331; COP No. 9511) of M/s. Parikh & Associates, Practicing Company Secretaries, to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting at the EGM, in a fair and transparent manner.
- (ix) The procedure and instructions for remote e-voting and joining the EGM on NSDL e-voting System are, as follows:

17. Step 1: Access to NSDL e-Voting system

I. Login method for e-Voting and joining virtual meeting for Individual shareholders holding shares in demat mode

- a) In terms of SEBI Circular dated December 9, 2020 on e-voting facility, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are accordingly, advised to update their mobile number and email id in their demat accounts in order to access the e-voting facility.
- b) Login method for Individual shareholders holding shares in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding shares in demat mode with NSDL.	1. If you are already registered for NSDL IDeAS facility , please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “ Beneficial Owner ” icon under “ Login ” which is available under “ IDeAS ” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “ Access to e-Voting ” under e-voting services and you will be able to see e-voting page. Click on options available against the Company name or “e-voting service provider - NSDL” and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period.
	2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com . Select “ Register Online for IDeAS ” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on options available against the Company name or “e-voting service provider - NSDL” and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period.

	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p> App Store  Google Play</p> <p> </p>
Individual Shareholders holding shares in demat mode with Central Depository Services (India) Limited (“CDSL”)	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & new system Myeasi tab and then use your existing my easi username & password.</p>
	<p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</p>
	<p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & new system Myeasi tab and then click on registration option.</p>
	<p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding shares in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-voting facility. Once logged in, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL depository site after successful authentication, wherein you can see e-voting feature. Click on options available against the Company name or “e-Voting service provider-NSDL” and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period.</p>

Important note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

- c) Helpdesk for Individual shareholders holding shares in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding shares in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call on no.: 022-48867000
Individual Shareholders holding shares in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact on toll free no. 1800 21 09911

II. Login Method for e-voting for shareholders other than Individuals viz. Institutions and Corporate shareholders holding shares in demat mode and for shareholders holding shares in physical mode

- Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-voting system is launched, click on the icon "Login" which is available under "Shareholders /Member/Creditors" section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company For example, if Folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Details of Password for shareholders other than Individual shareholders are, given below:
 - If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-voting system for the first time, you will need to retrieve the "initial password" which was communicated to you. Once you retrieve your "initial password", you need to enter the "initial password" and the system will force you to change your password.
 - How to retrieve your "initial password"?
 - If your email ID is registered in your demat account or with the Company, your "initial password" is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or Folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in Point no. B - Process for those shareholders whose email ids are not registered
- If you are unable to retrieve or have not received the "initial password" or have forgotten your password:
 - Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/Folio number, your PAN, your name and your registered address.

- Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
- g) After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- h) Click on “Login” button.
- i) After you click on the “Login” button, Home page of e-voting will open.

Step 2 - Cast your vote electronically and Join the EGM on NSDL e-voting system

- a) After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
- b) Select “EVEN” of the Company for which you wish to cast your vote during the remote e-voting period or for casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
- c) Now you are ready for e-voting as the Voting page opens.
- d) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- e) Upon confirmation, the message “Vote cast successfully” will be displayed.
- f) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- g) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

B. Process for those shareholders whose email ids are not registered with the depositories for procuring User id and password and registration of e-mail ids for e-voting for the resolution set out in this Notice:

- (i) If you are a Shareholder holding shares in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by an email to investors@tatacapital.com.
- (ii) If you are a Non-Individual Shareholder viz. Institutions and Corporate Shareholders holding shares in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by an email to investors@tatacapital.com.
- (iii) Alternatively, shareholder/members may also send a request to evoting@nsdl.com for procuring User id and password for e-voting by providing above mentioned documents.
- (iv) If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (I) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding shares in demat mode.

C. Instructions for Members for attending the EGM through VC / OAVM

- (i) Member will be provided with a facility to attend the EGM through VC/OAVM through the NSDL e-voting system. Members may access the same by following the steps mentioned above for “Access to NSDL e-voting system”. After successful login, you can see link of “VC/OAVM link” placed under “Join meeting” menu against the Company name. You are requested to click on VC/OAVM link placed under “Join Meeting” menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of the Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned above in the Notice to avoid last minute rush.
- (ii) Members can participate in EGM through Laptop / Desktop / Mobile devices, however, for better experience and smooth participation, it is advisable to join the Meeting through Laptops connected through broadband. Further, the Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting. Please note that Participants connecting from Mobile devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

- (iii) Members who would like to express their views or ask questions during the EGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/Folio number, PAN, mobile number at investors@tatacapital.com between March 18, 2025 (9:00 a.m.) to March 21, 2025 (5:00 p.m.). Those Members who have registered themselves as a 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.

D. General Information for the Members

- (i) Any person holding shares in physical form and non-individual shareholder, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. March 20, 2025, may obtain the login ID and password by sending a request at evoting@nsdl.com or at investors@tatacapital.com. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 022-48867000. In case of Individual Shareholder holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. March 20, 2025 may follow steps mentioned in the Notice of this EGM under "Access to NSDL e-Voting system".
- (ii) It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- (iii) The Scrutinizer shall, immediately after the conclusion of voting at the EGM, will first count the votes cast at the meeting and, thereafter, unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and shall not later than three days of the conclusion of the meeting, issue a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the Result of the voting forthwith.
- (iv) The Results declared, along with the Scrutinizer's Report, will be posted after the declaration of the same by the Chairman on the Company's website at www.tatacapital.com, on the website of the National Stock Exchange of India Limited at www.nseindia.com, BSE Limited at www.bseindia.com and also on the website of NSDL at www.evoting.nsdl.com. The Results shall also be displayed on the Notice Board at the Registered Office of the Company.
- (v) In case you have any queries or issues regarding remote e-voting, you may write to the Company at investors@tatacapital.com. Members can also refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com. or call at.: 022 - 4886 7000 or send a request at evoting@nsdl.com.

EXPLANATORY STATEMENT

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("**Act**") and the Rules framed thereunder sets out all material facts relating to the business mentioned under Item Nos. 1 to 5 of the accompanying Notice dated February 25, 2025.

Item No. 1:

The Company has been identified as an upper layer Non-Banking Finance Company (NBFC) under the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023, as amended ("**RBI Directions**"). Pursuant to RBI Directions, the Company is required to list its equity shares on the recognized stock exchange(s) of India by September 30, 2025. In this regard, the Company proposes to undertake an initial public offering of Equity Shares. The Company intends to, at the discretion of the Board of Directors of the Company ("**Board**"), undertake the Offer and list its Equity Shares at an opportune time in consultation with the book running lead managers ("**BRLMs**") and other advisors in relation to the Offer and subject to applicable regulatory approvals and other approvals, to the extent necessary.

The Company proposes to create, offer, issue and allot up to 23,00,00,000 (Twenty Three crore) Equity Shares by way of a fresh issue in the Offer, out of the authorized share capital of the Company ("**Fresh Issue**") together with an offer of sale by certain existing shareholder(s), (the "**Offer**") on such terms and at such price or prices and at such time as may be considered appropriate by the Board or a duly authorized committee thereof, in consultation with the BRLMs, to the various categories of permitted investors who may or may not be the shareholder(s) of the Company in the initial public offer by way of book building method under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**") and the Securities Contracts (Regulation) Rules, 1957. The Equity Shares, if any, allotted vide the Offer shall rank in all respects pari passu with the existing Equity Shares of the Company. The net proceeds of the Offer will be utilised for the purposes that shall be disclosed in the pre-filed draft red herring prospectus / draft red herring prospectus, updated draft red herring prospectus-I, updated draft red herring prospectus-II, red herring prospectus and the prospectus. The Board has the authority to modify the above objects on the basis of the requirements of the Company, subject to Applicable Laws. The price at which the Equity Shares will be allotted through the Offer, as well as the price band within which bidders in the Offer will be able to put in bids for Equity Shares offered in the Offer shall be determined and finalised by the Company in consultation with the BRLMs to the Offer, in accordance with applicable laws.

The Equity Shares are proposed to be listed on one or more recognized stock exchanges as determined by the Board at its absolute discretion and the Company will be required to enter into listing agreements with each of the Stock Exchanges.

In view of the above and in terms of Sections 23, 62(1)(c) and other applicable provisions of the Act and the rules and regulations made thereunder, each as amended, the approval of the shareholders of the Company is being sought by way of special resolution.

The Board recommends the Special Resolution at Item No. 1 of the accompanying Notice, for approval of the Members of the Company.

None of the Directors and / or Key Managerial Personnel of the Company and / or their respective relatives are concerned or interested either directly or indirectly in the aforesaid Resolution, except to the extent of their shareholding in the Company.

Item No. 2:

In terms of Foreign Exchange Management Act, 1999, as amended, the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended (the "**FEMA Regulations**"), and the Consolidated Foreign Direct Investment Policy Circular of 2020, as amended (together with the FEMA Regulations, the "**FEMA Laws**"), the Non-resident Indians ("**NRI**") and Overseas Citizens of India ("**OCI**"), together, can acquire and hold on repatriation basis up to an aggregate limit of 10% of the paid up equity share capital of an Indian company on fully diluted basis. The FEMA Laws further provide that the limit of 10% can be further increased up to 24%, by passing a special resolution to that effect by the shareholders and followed by necessary filings with the Reserve Bank of India, if required.

In relation to the proposed initial public offer of the Equity Shares of the Company ("**Offer**"), the Company proposes to increase the aggregate limit of investment by NRIs and OCIs in the Company from 10% to 24% of the paid-up equity share capital. This would allow NRIs and OCIs to acquire to a greater extent the Equity Shares proposed to be offered in the Offer and also allow effective post-listing trading in the Equity Shares by NRIs and OCIs.

The Board recommends the Special Resolution at Item No. 2 of the accompanying Notice, for approval of the Members of the Company.

None of the Directors and / or Key Managerial Personnel of the Company and / or their respective relatives are concerned or interested either directly or indirectly in the aforesaid Resolution, except to the extent of their shareholding in the Company.

Item No. 3:

Tata Capital Limited ("**Company**") had introduced the Tata Capital Limited Employee Stock Purchase / Option Scheme ("**ESOP Scheme**"), with effect from March 2, 2010. The ESOP Scheme is administered through the TCL Employee Welfare Trust ("**Trust**") and was last amended in March 2023.

In view of the proposed Initial Public Offering ("**IPO**") of the Equity Shares of the Company and based on the recommendation of the Nomination and Remuneration Committee ("**NRC**"), the Board of Directors at its meeting held on February 25, 2025, subject to the approval of the Members of the Company, has approved amendments to the ESOP Scheme in order to comply with the regulatory requirements in terms of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB & SE Regulations**") and to provide ease of administration of the employee stock options ("**Options**") under the ESOP Scheme including certain other conditions which are not prejudicial to the interest of the Option holders of the Company.

Further, under the existing ESOP Scheme, the Company can grant upto 6,35,00,000 Options equivalent to 2.489% of the fully diluted share capital of the Company as on February 1, 2010. The Company now proposes to amend the ESOP Scheme in order to grant maximum of upto 10,60,00,000 Options in aggregate and upto 1,06,00,000 Options per employee under the ESOP Scheme.

Additionally, the existing ESOP Scheme has references to Employee Stock Purchase Scheme ("**ESPS**") related provisions. As per Regulation 5(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"), companies are ineligible to undertake an IPO if there is any right which would entitle any person with any option to receive equity shares of the Company in the future except, *inter alia*, options granted to employees under an employee stock option scheme in compliance with applicable law. Given that (i) SEBI recognises an employee stock purchase scheme as a different share-based employee benefit scheme (that can be provided by a company to its employees) than an employee stock option scheme under the SEBI SBEB & SE Regulations and (ii) currently, SEBI does not recognise ESPS as an exception under Regulation 5(2) of the SEBI ICDR Regulations, all the provisions pertaining to ESPS under the ESOP Scheme have been removed.

As per Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 ("**Share Capital Rules**"), the Company may, by way of a Special Resolution, vary the terms of the Options not yet exercised by the employees provided that such variation is not prejudicial to the interests of the Option holders. Further, as per the ESOP Scheme, the Company may, by a Special Resolution in a General Meeting, vary the terms of the ESOP Scheme provided such variation is not prejudicial to the interest of the Employees. The Members are requested to note that the proposed amendments to the ESOP Scheme are not prejudicial to their interest of the Options holders.

Details of the key variations in the ESOP Scheme including disclosure in terms of SEBI SBEB & SE Regulations and a Comparative Statement of the clauses of the ESOP Scheme which are proposed to be amended are attached herewith as Exhibit I and Exhibit II, respectively for the perusal and consideration of the Members.

A copy of the proposed amended ESOP Scheme would be available for inspection by the Members, at the Registered Office of the Company during normal business hours on any working day (except Saturday and Sunday) and also during the Meeting. The Members can send a request to the Company at investors@tatacapital.com to inspect the same.

The approval of the Members is being sought by way of a Special Resolution under Rule 12 of the Share Capital Rules for the amendment of the existing ESOP Scheme.

The Board recommends the Special Resolution at Item No. 3 of the accompanying Notice, for the approval of the Members of the Company.

The Directors (excluding Independent Directors) and / or Key Managerial Personnel of the Company and / or their respective relatives may be deemed to be concerned or interested in the Resolution to the extent of the Shares held by them and / or Options granted / that may be granted to them in the Resolution mentioned at Item No. 3 of the Notice.

Item No. 4:

In terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**SEBI LODR**"), any transaction with a related party shall be considered material, if the transaction(s) entered into/ to be entered into individually or taken together with the previous transaction(s) during a financial year exceeds Rs. 1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, and shall require prior approval of shareholders by means of an ordinary resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm's length basis.

Tata Sons Private Limited ("**TSPL**") is a holding company of Tata Capital Limited ("**TCL**" / "**Company**") holding 92.83% stake in TCL. TSPL holds 31.76% shareholding in Tata Steel Limited ("**Tata Steel**"). Tata Steel is an associate of TSPL. In view of the said holding structure, Tata Steel is considered as a related party of the Company as per the Companies Act, 2013 and SEBI LODR.

The Company under its Corporate Program provides the facility of Factoring of receivables from the Distributors/Dealers/Manufacturers ("**Customers**") of Tata Steel along with other financing facilities such as Leasing to Tata Steel.

Under the Factoring arrangement, Tata Steel discounts with TCL, the sales receivables from its Customers arising out of goods sold to them on credit. For these facilities, Tata Steel pays discounting charges to TCL. Under the factoring facilities, although the exposures of the Company are to the Customers of Tata Steel without any recourse to Tata Steel and these are evaluated on an independent basis for each Customer, these factoring transactions will be regarded as related party transactions with Tata Steel based on the definition of related party transactions under SEBI LODR.

Under the Leasing arrangement, TCL extends lease facilities to Tata Steel wherein the underlying assets are IT assets, Passenger cars, capital goods, commercial vehicles or other assets as per Tata Steel's requirements. For the lease facilities provided to Tata Steel, Tata Steel pays lease rentals to the Company.

The Company will undertake these transactions in furtherance of its business activities which will help in generating revenue and enhancing business operations of the Company and thus are in the interest of the Company.

The aggregate value of the above transactions is estimated to be up to Rs. 10,000 crore i.e. approximately 55.02% of annual consolidated turnover of the Company for the financial year 2023-24.

The Management has provided the Audit Committee ("the Committee") with the relevant details, as required under law, of various proposed related party transactions including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into material related party transactions with Tata Steel for an aggregate value of up to Rs. 10,000 crore for FY 2025-26. The Committee has noted that the said transactions will be on an arm's length basis and in the ordinary course of business of the Company.

Mr. Saurabh Agrawal, being a Director on the Board of the Company as well as on the Board of Tata Steel Limited is deemed to be interested in the above resolution. None of the other Directors and/ or Key Managerial Personnel of the Company and/ or their respective relatives, other than to the extent of their shareholding in the Company and / or Tata Steel, are concerned or interested either directly or indirectly, in the Resolution mentioned at Item No. 4 of the Notice.

Basis the consideration and approval of the Audit Committee, the Board recommends the Ordinary Resolution at Item No. 4 of the accompanying Notice, for approval of the Members of the Company.

The Members may note that in terms of the provisions of the SEBI LODR, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolution under Item No. 4.

Item No. 5:

In terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**SEBI LODR**"), any transaction with a related party shall be considered material, if the transaction(s) entered into/ to be entered into individually or taken together with the previous transaction(s) during a financial year exceeds Rs. 1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, and shall require prior approval of shareholders by means of an ordinary resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm's length basis.

Tata Sons Private Limited ("**TSPL**") is a holding company of Tata Capital Limited ("**TCL**" / "**Company**") holding 92.83% stake in TCL. TSPL holds 71.74% shareholding in Tata Consultancy Services Limited ("**TCS**"). TCS, being a subsidiary of TSPL, is considered as a related party of the Company as per the Companies Act, 2013 and SEBI LODR.

The Company as a part of its borrowing program raises funds through various means such as Term Loans, Intercompany Deposit, Non-Convertible Debentures etc. under multiple transactions from time to time. During the current year, the Company has entered into various transactions with TCS in nature of issuance of Non-Convertible Debentures, availing Information Technology ("IT") related services, purchase of hardware/software, providing leasing facilities etc.

It is proposed to enter into / continue to enter into aforesaid related party transactions with TCS viz. borrowing through various means such as Term Loans, Intercompany Deposit, Non-Convertible Debentures, availing of IT related services, purchase of hardware/software and providing leasing facilities for FY 2025-26 for an aggregate value up to Rs. 5,300 crore based on the potential for issuance of NCDs and other services.

The issuance of Non-Convertible Debenture of the Company on private placement basis happens through Electronic Bidding Platform of Stock Exchanges as per the prescribed SEBI norms and the rates are usually uniform across all bidders. The borrowings by way of Term Loans, Intercompany Deposit etc. are availed by the Company on the basis of prevailing rates for similar type of loans from banks / financial institutions at that point in time.

The Company would be undertaking these transactions in furtherance of its business activities which will help in diversifying its sources of funds and also for its operational activities.

The aggregate value of the above transactions is estimated to be up to Rs. 5,300 crore i.e. approximately 29.1% of annual consolidated turnover of the Company for the financial year 2023-24.

The Management has provided the Audit Committee ("Committee") with the relevant details, as required under law, of various proposed related party transactions including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into material related party transactions with TCS for an aggregate value of upto Rs. 5,300 crore for FY 2025-26. The Committee has noted that the said transactions will be on an arm's length basis and in the ordinary course of business of the Company.

Ms. Aarthi Subramanian, being a Director on the Board of the Company as well as on the Board of TCS is deemed to be interested in the above resolution. None of the other Directors and/ or Key Managerial Personnel of the Company and/ or their respective relatives, other than to the extent of their shareholding in the Company and / or TCS, are concerned or interested either directly or indirectly, in the Resolution mentioned at Item No. 5 of the Notice.

Basis the consideration and approval of the Audit Committee, the Board recommends the Ordinary Resolution at Item No. 5 of the accompanying Notice, for approval of the Members of the Company.

The Members may note that in terms of the provisions of the SEBI LODR, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolution under Item No. 5.

By Order of the Board of Directors
For **Tata Capital Limited**

Sarita Kamath
Head - Legal and Compliance
& Company Secretary

Mumbai, February 25, 2025

Registered Office:

11th Floor, Tower A, Peninsula Business Park,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai 400 013

**Exhibit I and II to Notice
Item No. 3 - Amendment to Employee Stock Option Scheme**

Exhibit I

1. Key Variations in the ESOP Scheme:

It is proposed to include the following variations in the ESOP Scheme as provided in the Comparative Statement under Exhibit II, to bring it in compliance with the regulatory requirements in terms of the SEBI SBEB & SE Regulations and to alter / modify the terms in the ESOP Scheme to provide for ease of administration of Options under ESOP Scheme.

2. Rationale for the variation of ESOP Scheme:

- (a) The amendments, including those mentioned herein, are proposed to be undertaken in order to comply with the SEBI SBEB & SE Regulations on the listing of the Equity Shares of the Company and make corresponding changes in the ESOP Scheme. Further, the ESPS related provisions have been deleted as under Regulation 5(2) of SEBI ICDR Regulations, companies are ineligible to undertake an IPO if there is any right which would entitle any person with any option to receive equity shares of the Company in the future expect, inter alia, options granted to employees under an employee stock option scheme in compliance with applicable law. Given that (i) SEBI recognises an employee stock purchase scheme as a different share-based employee benefit scheme (that can be provided by a company to its employees) than an employee stock option scheme under the SEBI SBEB & SE Regulations and (ii) currently, SEBI does not recognise ESPS as an exception under Regulation 5(2) of the SEBI ICDR Regulations, all the provisions pertaining to ESPS under the ESOP Scheme have been removed. Additionally, the Company is proposing to fix the maximum ESOP pool that may granted to attract and retain talent.
- (b) The proposed amendments also contain certain editorial changes to ensure consistency across the Scheme.
- (c) The proposed amendments are not detrimental/prejudicial to the interest of the option holders.

3. Details of the employees who are beneficiaries of such variation:

The beneficiaries of such variation are the 'employees' (as defined in the Scheme) who have been granted options as well as who will be granted options post amendment of the ESOP Scheme.

Disclosures under Regulation 6(2) of the SEBI SBEB & SE Regulations:

The Company had adopted the ESOP Scheme by way of Board and Shareholder resolutions passed on 01.02.2010 and 02.03.2010, respectively. The ESOP Scheme was further amended pursuant to the resolution passed by the Board on 19.02.2016, 28.09.2018, 28.01.2020 & 24.02.2023 and the resolution passed by the Shareholders on 31.03.2016, 25.02.2020 & 29.03.2023.

In accordance with Regulation 6 of the SEBI SBEB & SE Regulations, the scheme can be offered to employees of the company only pursuant to obtaining the approval of shareholders of the company by way of special resolution. In line with Regulation 6(2) of the SEBI SBEB & SE Regulations, the explanatory statement to the notice and the resolution for such scheme shall need to contain the information as contained in the Part C of Schedule 1 of the SEBI SBEB & SE Regulations. In line with the above-mentioned regulations and schedule, the salient features of the ESOP Scheme are as under:

1. Brief description of the ESOP Scheme:

The Company contemplates issuing employee stock options with a view to enable the option grantees to get a share in the value they create for the Company in the years to come. The Company views employee stock options as long- term incentive instruments to enable the eligible employees, holding critical roles or possessing niche talent.

The objectives and purpose of the ESOP Scheme are:

- (a) to promote the best interests of the Company and its members by encouraging employees to acquire an ownership interest in the Company by way of grant of options to the eligible employees of the Company, thus aligning their interests with those of the members of the Company;
- (b) to promote the long-term interests of the Company by providing an incentive to attract, retain and reward employees performing services for the Company whether directly as an employee of the Company or indirectly as an employee of a subsidiary company or the holding company and by motivating such employees to contribute to the growth and profitability of the Company, and thereby promoting the welfare of the employees; and

- (c) providing or assisting in the provision of general welfare and assistance through the TCL Employee Welfare Trust established by the Company for the benefit of the employees, *inter alia*, with the object that the trustees operate a scheme or schemes for providing incentives/motivation to senior employees by way of or similar to employee stock option schemes.

2. The total number of options to be offered and granted:

The aggregate number of Options that may be granted under this Scheme shall not exceed 10,60,00,000 Options.

3. Identification of classes of employees entitled to participate and be beneficiaries in the ESOP Scheme:

The following classes of employees / directors shall be entitled to participate and shall be the beneficiaries under the ESOP Scheme:

- (a) an employee of the Company who has been working in India or outside India; or
- (b) a director of the Company, whether a whole time director or not including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or
- (c) an employee as defined in sub-clauses (a) or (b) above of a subsidiary company, in India or outside India, or of a holding company of the Company, but does not include:
 - (i) an employee who is a promoter or a person belonging to the promoter group; or
 - (ii) a director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

4. Requirements of vesting and period of vesting:

The options granted under the ESOP Scheme cannot vest in less than 1 year from the date of grant of an option and may extend to a maximum period of 5 years from the date of grant, as may be determined by the NRC from time to time, which shall be within the period of 5 years. In no event shall the period between the date of grant and date of vesting exceed the validity period of the ESOP Scheme.

In case options are granted by the Company under its ESOP Scheme in lieu of options held by the same employee under an ESOP scheme in another company, which has merged, demerged or amalgamated with the Company, the period during which the options granted by the merging or amalgamating company were held by such employee shall be adjusted against the minimum vesting period.

Notwithstanding anything contained herein, the NRC, at its sole and absolute discretion shall have the right to advance or postpone any or all vesting under this ESOP Scheme either in respect of all eligible employees or for a group of eligible employees or for an individual eligible employee, subject to applicable laws.

Vesting of options (granted on or after 2018) to the employees is structured in the following circumstances, as provided below:

- (a) In case of resignation (but not termination), all unvested options shall lapse. All Options vested but not exercised can be exercised till the last working date.
- (b) In case of termination (dismissal or discharge) of services, all vested and unvested options shall lapse on the last working date of the employee.
- (c) In case of superannuation/retirement or transfer to any Tata Group Company (as defined under the applicable law), all vested and unvested options shall continue to vest as per the grant letter (letter of offer) issued pursuant to the ESOP Scheme, as approved by the NRC.
- (d) In case of death, all unvested options shall vest immediately in the legal heir(s) or nominee(s) of the eligible employee and the legal heir(s) / nominee(s) of the eligible employee, may exercise the vested options as per the grant letter (letter of offer) issued pursuant to the ESOP Scheme.
- (e) In case of permanent incapacitation, all unvested options shall vest immediately in the eligible employee, on the date of the incapacitation; all vested options shall continue to vest and the eligible employee may exercise the options by the end date for exercising, as per the Letter of Offer issued pursuant to the Scheme, as approved by the NRC.

5. Maximum period within which the Options shall be vested:

The options granted under the ESOP Scheme cannot vest in less than 1 year from the date of grant of an option and may extend to a maximum period of 5 years from the date of grant, as may be determined by the NRC from time to time, which shall be within the period of 5 years. In no event shall the period between the date of grant and date of vesting exceed the validity period of the ESOP Scheme.

6. Exercise price or pricing formula:

The exercise price per share shall be the fair market value of the shares determined at the date of grant or such other price as may be determined by the NRC. Further, post listing, the exercise price shall be the fair market value of the shares determined at the date of grant or such other price as may be determined by the NRC in compliance with the accounting standards specified under the SEBI SBEB & SE Regulations, including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time.

7. Exercise period and process of exercise:

(i) Exercise period while in employment: The exercise period in respect of the vested options shall commence from the date of vesting however, exercise period shall not exceed seven years from the date of vesting of options.

(ii) Exercise in case of cessation of employment:

Please refer point no. 4 above.

(iii) Exercise process: The vested Options can be exercised by the option grantees by a duly completed exercise application to the Company in the format as may be prescribed keeping in view the administrative and/ or the legal requirements prevailing at that time.

8. Appraisal process for determining the eligibility of employees for the ESOP Scheme:

Appraisal process for determining the eligibility of the employees will be based on grade, length of service, performance linked parameters such as work performance and such other criteria as may be determined by the NRC at its sole discretion, from time to time.

9. Maximum number of Options to be offered and issued per employee and in aggregate, if any:

The aggregate number of Options that may be granted under this ESOP Scheme shall not exceed 10,60,00,000 Options and the maximum number of Options that may be granted per employee shall not exceed 1,06,00,000.

10. Maximum quantum of benefits to be provided per employee under the ESOP Scheme:

Maximum quantum of benefits to be provided per employee under the ESOP Scheme shall not exceed 1,06,00,000 Options.

11. Whether the ESOP Scheme is to be implemented and administered directly by the Company or through a trust:

The ESOP Scheme is to be implemented and administered through the TCL Employee Welfare Trust.

12. Whether the ESOP Scheme involves new issue of shares by the Company or secondary acquisition by the trust or both:

The ESOP Scheme involves new issuance of shares by the Company. Further, subject to applicable laws, including SEBI ESOP Guidelines, the Trust may also acquire shares through secondary acquisition for the purposes of implementing this scheme.

13. The amount of loan to be provided for implementation of the ESOP Scheme by the Company to the trust, its tenure, utilization, repayment terms, etc.

Loan amount will not exceed five percent of the aggregate of paid up capital and free reserves of the Company. Tenure of the loan shall be till the ESOP Scheme is effective and the loan amount will be utilized for implementation of the ESOP Scheme. Loan will be repaid basis the availability of cash with the Trust.

14. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the ESOP Scheme:

Not applicable.

15. A statement to the effect that the Company shall conform to the accounting policies specified in regulation 15:

The Company shall conform to the accounting policies specified in SEBI SBEB & SE Regulations, amended from time to time.

16. The method which the Company shall use to value its Options:

The Company shall follow the fair value method for the valuation of the Options, calculated in accordance with the Guidance Note on Accounting for Employee Share-Based Payments, as may be prescribed by the Institute of Chartered Accountants of India or prescribed under the relevant accounting standard, as may be applicable to the Company, from time to time.

17. Period of lock-in:

The Equity Shares issued under the ESOP Scheme shall not be subject to any transfer restrictions or lock-in restrictions, except as may be required under applicable laws, from time to time.

18. Terms & conditions for buyback, if any, of specified securities covered under the SBEB & SE Regulations.

The NRC shall have the power and authority to determine the procedure for buy-back of Options / Shares issued under SEBI SBEB & SE Regulations, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:

- (i) permissible sources of financing for buy-back;
- (ii) any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
- (iii) limits upon quantum of Options / Shares that the Company may buy-back in a financial year.

Exhibit II

Provided below is a Comparative Statement of the clauses of the ESOP Scheme which are proposed to be amended.

Existing Clause No.	Existing Clause	Revised Clause No.	Revised Clause
1, 2, 3.6, 3.12, 3.13, 3.14, 3.15, 3.16, 3.17, 3.25, 3.26, 4.4, 8, 9.2, 12.5, 12.6, 14, 16.5, 17.3.2, 21, 24.2, 25.2, 28, 32 and Annexure IV	Removal of ESPS Provisions	-	The ESOP Scheme current has references to employee stock purchase (“ ESPS ”) related provisions. As per Regulation 5(2) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, companies are ineligible to undertake an IPO if there is any right which would entitle any person with any option to receive equity shares of the Company in the future expect, inter alia, options granted to employees under an employee stock option scheme in compliance with applicable law. Given that (i) SEBI recognises an employee stock purchase scheme as a different share-based employee benefit scheme (that can be provided by a company to its employees) than an employee stock option scheme under the SEBI SBEB & SE Regulations and (ii) currently, SEBI does not recognise ESPS as an exception under Regulation 5(2) of the SEBI ICDR Regulations, all the provisions pertaining to ESPS under the ESOP Scheme have been removed.
3.2	Definition of Business Days “Business Days” shall mean days on which the Company’s offices in Mumbai are open for normal business operations but shall exclude Saturdays and Sundays.	-	As this clause has not been used in the ESOP Scheme, to avoid redundancy, this clause is proposed to be deleted.
3.4	Definition of Custodian “Custodian” shall mean such entity registered to provide custodial services under the Securities and Exchange Board of India (Custodian of Securities) Regulations, 1996 and appointed from time to time by the Trustees for the purposes of receiving and holding Shares under this Scheme.	-	As this clause has not been used in the ESOP Scheme, to avoid redundancy, this clause is proposed to be deleted.
3.6	Definition of Date of Grant “Date of Grant” shall mean such date(s) on which the Letter of Offer shall be issued to the Eligible Employees under this Scheme conferring a right on the Eligible Employee to purchase Shares from the Trust in the manner as contemplated under this Scheme.	3.4	For ease of administration and implementation of ESOP Scheme, the term ‘Date of Grant’ is proposed to be defined as below in line with SEBI SBEB & SE Regulations: “Date of Grant” shall mean such date(s) on which the Letter of Offer shall be issued to the Eligible Employees under this Scheme conferring a right on the Eligible Employee to <u>Exercise of Options granted</u> in the manner as contemplated under this Scheme. <u>Post Listing of the equity shares of the Company, the Date of Grant shall be the date on which the Nomination and Remuneration Committee approved the grant. For accounting purposes, the Date of Grant will be determined in accordance with applicable accounting standards.</u>

3.8	Definition of Depository Participant “Depository Participant” shall mean such entity registered to act as a participant under the Depositories Act, 1996 and with whom the Trustees shall have opened a dematerialized securities account for the purposes of receiving and holding dematerialized Shares under this Scheme.	-	As this clause has not been used in the ESOP Scheme, to avoid redundancy, this clause is proposed to be deleted.
	Definition of Director -	3.6	For ease of administration and implementation of ESOP Scheme, the term ‘Director’ is proposed to be defined as below: “Director” means a member of the Board of the Company.
3.11	Definition of Employee “Employee” shall mean: (a) a permanent employee of the Company who has been working in India or outside India; or (b) a Director of the Company, whether a Whole Time Director or not but excluding an Independent Director; or (c) an employee as defined in clauses (a) or (b) of a Sub Co, in India or outside India, or of a Hold Co of the Company, but does not include: (i) an employee who is a promoter or a person belonging to the promoter group; or (ii) a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding Equity Shares of the Company.	3.9	For ease of administration and implementation of ESOP Scheme, the term ‘Employee’ is proposed to be amended as below. “Employee” shall mean: (a) an employee of the Company who has been working in India or outside India; or (b) a Director of the Company, whether a whole time Director or not <u>including a Non-Executive Director who is not a Promoter or member of the Promoter Group</u> , but excluding an Independent Director; or (c) an employee as defined in <u>sub-clauses (a) or (b) above</u> of a SubCo, in India or outside India, or of a HoldCo of the Company, but does not include: (i) an employee who is a Promoter or a person belonging to the Promoter Group; or (ii) a Director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity Shares of the Company.
3.12	Definition of Employee Trust or Trust “Employee Trust” or “Trust” shall mean a trust constituted in order to administer this Scheme and which has been settled by way of a deed executed between the Trustee(s) and the Settlor under the name of the ‘TCL Employee Welfare Trust’.	3.10	The definition of Employee Trust/ Trust is proposed to be amended as follows, which includes the reference to SEBI SBEB & SE Regulations: “Employee Trust” or “Trust” shall mean a trust constituted <u>under the provisions of the Indian Trusts Act, 1882</u> to administer this Scheme and which has been settled by way of a deed executed between the Trustee(s) and the Settlor under the name of the ‘TCL Employee Welfare Trust’, <u>in accordance with SEBI ESOP Guidelines</u> .

3.15	Definition of Exercise Price “Exercise Price” shall mean the price payable by the Eligible Employee for the purchase of Shares of the Company pursuant to the Exercise of the Right in pursuance of this Scheme which price may be specified in the Letter of Offer.	3.13	The definition of Exercise Price is proposed to be amended as follows, which includes the reference to SEBI SBEB & SE Regulations: “Exercise Price” shall mean the price payable by the Eligible Employee for the exercise of Options(s) in pursuance of this Scheme which price may be specified in the Letter of Offer. <u>Provided that post Listing, the Exercise Price shall be in compliance with the accounting standards as specified under the SEBI SBEB & SE Regulations, including any ‘Guidance Note on Accounting for employee share-based Payments’ issued in that regard from time to time.</u>
3.18	Definition of Fair Market Value or FMV “Fair Market Value” or “FMV” means an amount established by the Nomination and Remuneration Committee which may be determined half - yearly or at such other frequency as the Nomination and Remuneration Committee may decide, based upon information provided by a Registered Valuer who will conduct financial valuation of the Company and recommend a FMV price in accordance with prevalent market practice to value similar schemes.	3.16	For ease of administration and implementation of ESOP Scheme, the term ‘Fair Market Value’ is proposed to be amended as below in line to add clarificatory language with respect to post listing: “Fair Market Value” or “FMV” <u>prior to Listing</u> , means an amount established by the Nomination and Remuneration Committee which may be determined half - yearly or at such other frequency as the Nomination and Remuneration Committee may decide, based upon information provided by a registered valuer who will conduct financial valuation of the Company and recommend a FMV price in accordance with prevalent market practice to value similar schemes <u>and post Listing, Fair Market Value shall mean the Market Price.</u>
3.21	Definition of Independent Director “Independent Director” means an independent director as defined under Section 2(47) of the Companies Act, 2013 and as per applicable laws and regulations, and as may be amended or substituted, from time to time.	3.17	The definition of Independent Director is proposed to be amended as follows, which includes the reference to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“ LODR Regulations ”): “Independent Director” means an independent director as defined under Section 2(47) of the Companies Act, 2013, <u>SEBI LODR Regulations</u> and other applicable laws and regulations, and as may be amended or substituted, from time to time.
	Definition of Listing -	3.22	For ease of administration and implementation of the ESOP Scheme, the term “Listing” is proposed to be defined as below “Listing” means listing of the Company’s Shares on any recognized Stock Exchange in India which includes listing of Shares pursuant to initial public offering of Shares as per applicable laws.

	Definition of Market Price -	3.23	To add clarificatory language with respect to the fair market value of the shares, post listing, the definition of “Market Price” is proposed to be added as follows: “Market Price” means the latest available closing price on a recognized Stock Exchange on which the Shares of the Company are listed on the date immediately prior to the Date of Grant. If such Shares are listed on more than one recognised Stock Exchange, then the closing price on the recognised Stock Exchange having higher trading volume shall be considered as the market price.
	Definition of Members -	3.24	For ease of administration and implementation of the ESOP Scheme, the term “Members” is proposed to be defined as mentioned below: “Members” means the shareholders of the Company.
3.24	Definition of Nomination and Remuneration Committee “Nomination and Remuneration Committee” or “NRC” means the Committee of the Board constituted, <i>inter alia</i> , for supervising, monitoring and also in the process, assisting the Trustees for and in connection with the proper implementation of the Scheme by the Trustees and with the authority to implement and administer this Scheme.	3.25	The definition of Nomination and Remuneration Committee is proposed to be amended as follows, which includes the reference to Companies Act, 2013 and LODR Regulations: “Committee” or “NRC” means the committee of the Board <u>constituted as per Companies Act, 2013, SEBI LODR Regulations and other applicable laws and regulations, <i>inter alia</i></u> , for supervising, monitoring and also in the process, assisting the Trustees for and in connection with the proper implementation of the Scheme by the Trustees and with the authority to implement and administer this Scheme.
-	Definition of Permanent Incapacity	3.28	For ease of administration and implementation of the ESOP Scheme, the term “Permanent Incapacity” is proposed to be defined as below “Permanent Incapacity” or “Permanent Incapacitation” means any disability of whatsoever nature, be it physical, mental, or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work, or task which the said Employee was capable of performing immediately before such disablement, as determined by the NRC based on a certificate of a medical expert identified by the NRC.
-	Definition of Promoter	3.29	For ease of administration and implementation of the ESOP Scheme, the term “Promoter” is proposed to be defined as below: “Promoter” shall have the same meaning assigned to it under the Companies Act, 2013 and / or the SEBI ICDR Regulations, as applicable, as may be amended or re-enacted from time to time.

-	Definition of Promoter Group	3.30	<p>For ease of administration and implementation of the ESOP Scheme, the term “Promoter Group” is proposed to be defined as below:</p> <p>“Promoter Group” shall have the same meaning assigned to it under the SEBI ICDR Regulations, as may be amended or re-enacted from time to time.</p>
-	Other Definitions	3.32, 3.33, 3.34 and 3.35	<p>For ease of administration and implementation of the ESOP Scheme, the terms “SEBI”, “SEBI ICDR Regulations”, “SEBI LODR Regulations” and “SEBI SBEB & SE Regulations” are proposed to be defined as below:</p> <p>“SEBI” means the Securities and Exchange Board of India.</p> <p>“SEBI ICDR Regulations” means the Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018, as amended from time to time.</p> <p>“SEBI LODR Regulations” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.</p> <p>“SEBI SBEB & SE Regulations” shall mean the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time.</p>
3.28	Definition of SEBI ESOP Guidelines <p>“SEBI ESOP Guidelines” shall mean Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended, modified, substituted or supplemented from time to time and/or such other rules, regulations or guidelines that may be issued/ notified by the Securities and Exchange Board of India from time to time and governing or regulating the issuance, grant or exercise of employee stock options and or shares to employees by companies whose shares are listed or to be listed on any Stock Exchange.</p>	3.36	<p>With a view to align SEBI ESOP Guidelines with SEBI SBEB & SE Regulations, it is proposed to revise the definition as follows:</p> <p><u>“SEBI ESOP Guidelines” shall mean SEBI SBEB & SE Regulations along with SEBI LODR Regulations and SEBI ICDR Regulations (as and when applicable),</u> as amended, modified, substituted or supplemented from time to time and/or such other rules, regulations or guidelines that may be issued/notified by the Securities and Exchange Board of India from time to time, including and enactment or re-enactment hereof and governing or regulating the issuance, grant or exercise of employee stock options and or shares to employees by companies whose shares are listed or to be listed on any Stock Exchange.</p>
-	Definition of Secondary Acquisition	3.37	<p>For ease of administration and implementation of the ESOP Scheme, the term “Secondary Acquisition” is proposed to be defined as mentioned below:</p> <p>“Secondary Acquisition” means acquisition of existing Shares by the Trust, on a delivery basis, on Stock Exchange for cash consideration.</p>

4	<p>Administration of Scheme</p> <p>4.1. The Trustees shall in exercise of the powers conferred on them by the Trust Deed, solely and exclusively administer, manage and operate the Scheme in consultation with the NRC.</p> <p>4.2. The Trustees shall (where necessary in consultation with the NRC) interpret the Scheme and shall, prescribe, amend, and rescind rules and regulations relating to the Scheme, and make all other determinations necessary or advisable for its administration. The decision of the Trustees on any question concerning the interpretation of the Scheme or its administration with respect to any grant under the Scheme shall be final and binding upon all Employees. No member of the NRC or any Trustee shall be liable for any action or determination made in good faith with respect to the Scheme hereunder</p> <p>4.3. The Trustees shall (where necessary in consultation with the NRC), while arriving at the decision on the quantum of the Shares for which an Offer may be made to an Eligible Employee, take into consideration the attributes such as (but not limited to) the grade of the Employee, his contribution to the overall performance of the Company (or its SubCo or the HoldCo as applicable), the performance of any division of the Company (or any division of its SubCo or the HoldCo as applicable) to which such Employee belongs, the importance of the Employee to the future performance and success of the Company (or its SubCo or the HoldCo as applicable), the sense of loyalty towards the Company (or its SubCo or the HoldCo as applicable), the significance of the Employee in enterprise valuation of the Company (or its SubCo or the HoldCo as applicable), etc. Without prejudice to the generality of the foregoing, the decisions of Trustees as above shall, be reasonably consistent with the recommendations made by the NRC pursuant to Clause 5.</p> <p>4.4. Notwithstanding anything stated herein, subject to the terms of the Special Resolution passed by the Members of the Company at the Extra-Ordinary General Meeting of the Company held on March 2, 2010 ("EGM") approving the Scheme and any amendments made from time to time at General Meetings, as required by law, the Trustees in consultation with the NRC, shall have the authority to determine the following, all in a manner consistent with the provisions of this Scheme and applicable law:</p>	4	<p>As explained above, removal of ESPS Provisions, it is proposed to revise the clause as follows:</p> <p>4.1 The Trustees shall in exercise of the powers conferred on them by the Trust Deed, solely and exclusively administer, manage and operate the Scheme in consultation with the NRC.</p> <p>4.2 The Trustees shall (where necessary in consultation with the NRC) interpret the Scheme and shall, prescribe, amend, and rescind rules and regulations relating to the Scheme, and make all other determinations necessary or advisable for its administration. The decision of the Trustees on any question concerning the interpretation of the Scheme or its administration with respect to any grant under the Scheme shall be final and binding upon all Employees. No member of the NRC or any Trustee shall be liable for any action or determination made in good faith with respect to the Scheme hereunder.</p> <p>4.3 The terms prescribed by the Trustees shall be final and binding on all the Eligible Employees.</p> <p>4.4 The Trustees may borrow such amount of funds from the Company or any other party as may be required for the purchase of the Shares for the purpose of this Scheme, subject to the terms and conditions of the Trust Deed.</p> <p>4.5 <u>Post Listing, the Trustees shall not vote in respect of the Shares held by such Trust.</u></p> <p>4.6 <u>The Trust may, subject to applicable laws including SEBI ESOP Guidelines, acquire Shares through Secondary Acquisition for the purposes of implementing this Scheme subject to limits specified and the other provisions as contained in the SEBI SBEB & SE Regulations.</u></p>
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	<ul style="list-style-type: none"> a) the number of Shares to be allocated to each Eligible Employee; b) the date by which the Eligible Employee is required to furnish a written acceptance of the Offer; c) the number of tranches in which Shares may be purchased by Eligible Employees and the number of Shares that may be purchased in each tranche; d) the Exercise Price for Shares covered under the Offer(s) issued / to be issued by the Trustees; e) the Exercise Period within which Shares would have to be purchased by an Eligible Employee; f) the conditions under which Shares vesting in an Eligible Employee may lapse including in case of termination of employment of such Eligible Employee for any misconduct or fraud or for any loss of confidence in such Eligible Employee by the management of either the Company, the HoldCo or any SubCo, as the case may be; g) the right of an Eligible Employee to purchase all the Shares vesting in such Eligible Employee at one time or at various points of time within the Exercise Period; h) the amendment, applicability or modification of any of the above in relation to any Employee or group or class of Employees; i) interpreting (where necessary) the provisions of this Scheme for the purpose of meeting the purposes and objectives of this Scheme and such other steps as may be felt necessary or expedient for administering this Scheme, subject to the terms of the Trust Deed and applicable law. <p>4.5. The terms prescribed by the Trustees shall be final and binding on all the Eligible Employees.</p> <p>4.6. The Trustees may borrow such amount of funds from the Company or any other party as may be required for the purchase of the Shares for the purpose of this Scheme, subject to the terms and conditions of the Trust Deed.</p>		
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5	<p>Powers and authority of the Nomination and Remuneration Committee</p> <p>5.1. Subject to the terms of the resolution passed by the Members of the Company at the EGM approving the issue of Shares to the Eligible Employees under this Scheme, and in terms of the Special Resolution(s) passed by the Members of the Company from time to time at General Meetings, as required by law, the NRC shall have the power and authority to determine certain aspects and terms governing this Scheme, in its absolute discretion including but not limited to the following:</p> <ol style="list-style-type: none"> determining the Eligible Employees amongst the different categories of Employees to whom the Offer is to be made; criteria for determination of the Eligible Employee to whom Options are to be offered; the time when the Options would be granted; the criteria for determining the number of Options to be granted to the Eligible Employees; the period and date/s in relation to which the criteria for determining the number of Options to be granted are to be determined and fulfilment of conditions to be verified; the number of Options to be granted to each Eligible Employee provided that the same does not exceed 0.25% of the Fully Diluted Share Capital; the terms and conditions subject to which the Options Vesting would be exercisable by the Eligible Employee; the number of Options to be apportioned/allocated for various grades of Eligible Employees; assignment of weightage to length of service, grade and performance rating of the Eligible Employee; the conditions under which Options vesting in an Eligible Employee may lapse; 	5	<p>Under Schedule 1, Part B of the SEBI SBEB & SE Regulations, the Committee is required to formulate the detailed terms and conditions of the schemes which <i>inter alia</i> shall include provisions as set out therein.</p> <p>With a view to align the powers of the Committee with Part B of Schedule 1 of SEBI SBEB & SE Regulations, it is proposed to revise the clause as follows:</p> <p>5.1 Subject to the terms of the resolution passed by the Members of the Company at the EGM approving the issue of Shares to the Eligible Employees under this Scheme, and in terms of the Special Resolution(s) passed by the Members of the Company from time to time at General Meetings, as required by law, the NRC shall have the power and authority to determine certain aspects and terms governing this Scheme, in its absolute discretion including but not limited to the following:</p> <ol style="list-style-type: none"> determining the Eligible Employees amongst the different categories of Employees to whom the Offer is to be made; criteria for determination of the Eligible Employee to whom Options are to be offered; the time when the Options would be granted; the criteria for determining the number / <u>quantum of Options to be granted per Eligible Employee and in aggregate</u>; the period and date/s in relation to which the criteria for determining the number of Options to be granted are to be determined and fulfilment of conditions to be verified; the terms and conditions subject to which the Options Vesting would be exercisable by the Eligible Employee; the number of Options to be apportioned/allocated for various grades of Eligible Employees;
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	<p>k) subject to the approval of the Members by way of a Special Resolution at a General Meeting, amendment of the terms of this Scheme which is not detrimental to the interests of the Employees;</p> <p>l) the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of corporate actions such as rights issues, bonus issues or any change in control or constitution of the Company or any re-structuring of the Company including but not limited to merger, de-merger, amalgamation, reverse merger or subsidiarisation (any such merger, de-merger, amalgamation, reverse merger or subsidiarisation is referred to as "Restructuring"). The NRC shall seek appropriate consultation with the Board and may further seek professional assistance or otherwise engage professional consultants for such advice as may be required for this purpose;</p> <p>m) the specified time period within which the Eligible Employee shall exercise the vested Options in the event of termination or resignation of such Eligible Employee;</p> <p>n) the applicability or modification of any of the abovementioned terms of this Scheme in relation to any Employee or group or class of Employees;</p> <p>o) vary/modify the Exit Options, as detailed in Annexure IV of this Scheme from time to time and any such variation/modification shall be deemed to be automatically part of this Scheme; and</p> <p>p) Terms and conditions under which Vested Options can be exercised or the Shares held by the Eligible Employees be retained.</p>		<p>h) assignment of weightage to length of service, grade and performance rating of the Eligible Employee;</p> <p>i) the conditions under which Options may vest in Eligible Employees and may lapse;</p> <p>j) <u>the Exercise Period within which the Eligible Employee can exercise the Options and that Options would lapse on failure to exercise the same within the Exercise Period;</u></p> <p>k) <u>the right of an Eligible Employee to exercise all the Options, as the case may be, vested in such Eligible Employee at one time or at various points of time within the Exercise Period;</u></p> <p>l) subject to the approval of the Members by way of a Special Resolution at a General Meeting, amendment of the terms of this Scheme which is not detrimental to the interests of the Employees;</p> <p>m) the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of corporate actions such as rights issues, bonus issues or any change in control or constitution of the Company or any re-structuring of the Company including but not limited to merger, de-merger, amalgamation, reverse merger or subsidiarisation (any such merger, de-merger, amalgamation, reverse merger or subsidiarisation is referred to as "Restructuring"). <u>In this regard, the following shall, <i>inter alia</i>, be taken into consideration by the NRC:</u></p> <p>(i) <u>the number and price of Options shall be adjusted in a manner such that total value to the Eligible Employee of the Options remains the same after Restructuring;</u></p> <p>(ii) <u>the vesting period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Eligible Employee who is granted such Options.</u></p>
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	<p>5.2 Notwithstanding the above, the NRC shall have the absolute discretion to determine whether Options would be granted to an Eligible Employee and may decide not to grant any Options for any reason whatsoever, including in the event, the NRC is of the view that the Eligible Employee has not performed upto the expectations on which such Eligible Employee was appointed, or has not been regularly attending office for a substantial period of time without any valid reason or authority, or is perceived to be guilty of misconduct, or has violated the terms of employment or policies or procedures or codes, or on account of any other circumstances as the NRC may in its absolute discretion decide.</p>		<p>5.2 Notwithstanding the above, the NRC shall have the absolute discretion to determine whether Options would be granted to an Eligible Employee and may decide not to grant any Options for any reason whatsoever, including in the event, the NRC is of the view that the Eligible Employee has not performed upto the expectations on which such Eligible Employee was appointed, or has not been regularly attending office for a substantial period of time without any valid reason or authority, or is perceived to be guilty of misconduct, or has violated the terms of employment or policies or procedures or codes, or on account of any other circumstances as the NRC may in its absolute discretion decide.</p> <p>5.3 <u>The NRC shall frame suitable policies and systems as may be necessary to ensure that there is no violation of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, by the Trust, the Company and the Employees, as applicable post Listing.</u></p>
6	<p>Post-issue equity dilution</p> <p>6.1. The Company shall ensure that the aggregate allotment of Shares under this Scheme, shall at all times, not exceed 2.5% of the Fully Diluted Share Capital of the Company.</p>	-	<p>With a view to align with SEBI SBEB & SE Regulations and to provide exact number of options that can be granted per employee and in aggregate, it is proposed to remove this clause.</p>
7	<p>Total number of Shares in respect of which Options could be granted (Total available Options)</p> <p>7.1. The maximum total number of Shares of the Company transferred to the Trust by the Company to be held for the benefit of the Employees under this Scheme, initially was 63,500,000 Shares i.e., 2.489% of the Fully Diluted Share Capital of the Company as at February 1, 2010. The same represents the Shares approved for issue for this purpose by the Members at the EGM. In the event of any future increase in the issued and paid-up Share capital of the Company, the maximum total number of Shares with respect to which Options may be granted shall be 2.5% of the Fully Diluted Share Capital of the Company. Provided however that, if any additional Shares be proposed to be issued/ transferred to the Trust, appropriate prior approvals of the Board of the Company and the Members of the Company shall be sought at such time.</p>	6	<p>With a view to align the ESOP Scheme with SEBI SBEB & SE Regulations and to increase the ESOP pool size under the ESOP Scheme in order to grant additional options and to attract and retain talent, it is proposed to revise the clause as follows (and the percentage reference has been removed):</p> <p>The maximum total number of Shares of the Company that can be transferred to the Trust by the Company to be held for the benefit of the Employees under this Scheme, shall not exceed 10,60,00,000 Shares. Provided that, if any additional Shares are proposed to be issued/ transferred to the Trust, appropriate prior approval of the Board of the Company and the Members of the Company shall be sought at such time, as per Applicable Law.</p>

8	<p>Offer Terms and Acceptance of the Shares</p> <p>8.1 Subject to the terms and conditions contained herein, the Trustees may, in consultation with the NRC, at any time and from time to time, make an Offer under this Scheme to any Eligible Employee to purchase such number of Shares at a specified Exercise Price as it shall designate in the Letter of Offer. However, no Eligible Employee shall be made an Offer under this Scheme to purchase Shares that are in excess of 0.25% of the Fully Diluted Share Capital of the Company save and except where specifically approved by the Board. The Board at its discretion may advise the NRC to make an Offer to an Eligible Employee under this Scheme to purchase Shares in excess of 0.25% of the Fully Diluted Share Capital.</p> <p>8.2 The Eligible Employee shall communicate his/her acceptance (in substantially the form set out on Annexure II hereto) to the NRC within 90 days from the date of Offer specifying the number of Shares he would like to accept in the manner as may be specified. The Shares allotted to the Eligible Employee shall vest in the manner as set out in the Letter of Offer.</p> <p>8.3 If the Eligible Employee does not communicate his/her acceptance within 90 days from the date of Offer, the Offer shall automatically lapse.</p>	-	<p>With a view to align the ESOP Scheme with SEBI SBEB & SE Regulations, it is proposed to remove this clause.</p>
9	<p>Grant of Option and basis of determining the number of Options to be Granted</p> <p>9.1. The actual number of Options to be granted to each Eligible Employee would be in accordance with the criteria as may be determined in this regard by the NRC at its absolute discretion; provided that the NRC, shall not Grant any Options for Shares exceeding in the aggregate, 2.5% of the Fully Diluted Share Capital as on February 1, 2010, without the prior approval of the Members of the Company by way of a separate resolution.</p> <p>9.2. The Eligible Employees shall have the option, but no obligation to exercise Options offered to him, to purchase Shares of the Company during the Exercise Period.</p>	7	<p>With a view to align the ESOP Scheme with SEBI SBEB & SE Regulations, and to include exact number of options that can be issued in aggregate and per employee, it is proposed to revise the clause as follows:</p> <p>7.1 The actual number of Options to be granted to each Eligible Employee would be in accordance with the criteria as may be determined in this regard by the NRC at its absolute discretion; provided that the NRC, shall not Grant any Options for Shares exceeding in the aggregate, 10,60,00,000 Shares. <u>The aggregate number of Options that may be granted under this Scheme shall not exceed 10,60,00,000 Options and the maximum number of Options that may be granted to an Employee shall not exceed 1,06,00,000 Options.</u></p>

	<p>9.3. Any and all allocation of Options to Eligible Employees by the Trust shall be preceded with an approval(s) by the NRC for such allocation.</p> <p>9.4. The Options allotted under this Scheme, shall at all times, upon Exercise, not exceed 2.5% of the Fully Diluted Share Capital of the Company.</p> <p>9.5. The amount, if any, payable by the Eligible Employees, at the time of Grant of Option:</p> <ol style="list-style-type: none"> may be forfeited by the Company, if the Option is not exercised by the Eligible Employees within the Exercise Period; or may be refunded to the Eligible Employees, if the Options are not vested due to non-fulfilment of conditions relating to Vesting of Option as per the Scheme. 		<p>7.2 The Eligible Employees shall have the option, but no obligation to exercise Options offered to him, during the Exercise Period.</p> <p>7.3 Any and all allocation of Options to Eligible Employees by the Trust shall be preceded with an approval(s) by the NRC for such allocation.</p> <p>7.4 The amount, if any, payable by the Eligible Employees, at the time of Grant of Option:</p> <ol style="list-style-type: none"> may be forfeited by the Company, if the Option is not exercised by the Eligible Employees within the Exercise Period; or may be refunded to the Eligible Employees, if the Options are not vested due to non-fulfilment of conditions relating to Vesting of Option as per the Scheme.
10	<p>Non-transferability of options</p> <p>The Option granted to the Eligible Employee shall not be transferable.</p>	8	<p>In order to add clarificatory language, this clause is proposed to be revised as follows:</p> <p>8.1 The Option granted to the Eligible Employee shall not be transferable.</p> <p>8.2 <u>The Option granted to the Eligible Employee shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.</u></p>
11	<p>Vesting of the Options Granted</p> <p>11.1. The period between the Date of Grant and Date of Vesting ("Vesting Period") shall be determined by the NRC, provided that the Vesting Period shall not be less than one year or such period as may be specified under the applicable laws, as amended from time to time.</p> <p>Provided that in no event shall the period between the Date of Grant and Date of Vesting exceed the validity period of this Scheme.</p> <p>11.2 In case, options are granted by the Company under its Employees Stock Option Scheme in lieu of options held by the same person under an Employees Stock Option Scheme in another company, which has merged or amalgamated with the Company, the period during which the options granted by the merging or amalgamating company were held by him shall be adjusted against the minimum vesting period required under this clause.</p>	9	<p>For ease of administration and implementation of the ESOP Scheme, the clause is proposed to be amended to include the maximum vesting period. The language is proposed to be modified as follows:</p> <p>9.1 The period between the Date of Grant and Date of Vesting ("Vesting Period") shall be determined by the NRC, <u>provided that the Vesting Period shall not be less than one year or more than five years.</u></p> <p>Provided that in no event shall the period between the Date of Grant and Date of Vesting exceed the validity period of this Scheme.</p> <p>9.2 In case, options are granted by the Company under its Employees Stock Option Scheme in lieu of options held by the same <u>Employee</u> under an Employees Stock Option Scheme in another company, which has merged, <u>demerged</u> or amalgamated with the Company, the period during which the options granted by the merging or amalgamating company were held by <u>such Employee</u> shall be adjusted against the minimum vesting period required under this clause.</p>

	11.3 Notwithstanding anything contained herein, the NRC, at its sole and absolute discretion shall have the right to advance or postpone any or all Vesting under this Scheme either in respect of all Eligible Employees or for a group of Eligible Employees or for an individual Eligible Employee, subject to applicable laws.		9.3 Notwithstanding anything contained herein, the NRC, at its sole and absolute discretion shall have the right to advance or postpone any or all Vesting under this Scheme either in respect of all Eligible Employees or for a group of Eligible Employees or for an individual Eligible Employee, <u>subject to SEBI ESOP Guidelines.</u>
12.1	<p>Exercise Period, Exercise Price and Procedure</p> <p>12.1. The Exercise Period in respect of the Vested Options shall commence from the Date of Vesting and will lapse on completion of one year from the Date of Vesting or within such further period as may be determined by the NRC from time to time.</p> <p>12.10 The Exercise Price per Share shall be the Fair Market Value of the Shares determined at the Date of Grant or such other price as may be determined by the Trustees in consideration with the NRC.</p>	10	<p>For ease of administration and implementation of the ESOP Scheme, the clause is proposed to be amended to include the maximum exercise period. The language is proposed to be revised as below:</p> <p>10.1 The Exercise Period in respect of the Vested Options shall commence from the Date of Vesting however, <u>Exercise Period shall not exceed seven years from the date of Vesting of Options.</u></p> <p>10.9 The Exercise Price per Share shall be the Fair Market Value of the Shares determined at the Date of Grant or such other price as may be determined by the NRC.</p>
18	<p>Transferability of Shares</p> <p>The Shares which are transferred to an Eligible Employee on Exercise of Option pursuant to this Scheme shall be freely transferable to any person as permitted under applicable laws.</p>	16	<p>In order to add clarificatory language and to bring it in line with applicable laws, this clause is proposed to be revised as follows:</p> <p>16.1 The Shares which are transferred to an Eligible Employee on Exercise of Option pursuant to this Scheme shall be freely transferable to any person as permitted under applicable laws.</p> <p>16.2 <u>The Shares arising out of Exercise of vested Options shall not be subject to any lock-in restriction except such restrictions as may apply under applicable law and particularly in connection with or after Listing.</u></p>
19	<p>Accounting Policies</p> <p>The Company shall comply with the accounting policies and guidelines as may be applicable from time to time.</p>	17	<p>In order to add clarificatory language and to bring it in line with applicable laws, this clause is proposed to be revised as follows:</p> <p>The Company shall comply with the accounting policies and guidelines as may be applicable from time to time <u>including the disclosure requirements of the Accounting Standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 and including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time.</u></p>

21	<p>Lapsed Shares</p> <p>In case any Options issued to Eligible Employees are not exercised by the respective Eligible Employees during the Exercise Period, such Options shall (unless otherwise determined by the Trustee(s) in consultation with the NRC) irrevocably lapse and the same may be granted afresh by the NRC to such Eligible Employee(s) or other Employees, either under this Scheme or otherwise, as the NRC may deem fit in its sole and absolute discretion.</p> <p>Further, Shares if any, in respect of which Options have lapsed under this Scheme, shall be available for grant, to the Eligible Employees or other Employees, either under this Scheme or otherwise, at the sole and absolute discretion of the Trustees in consultation with the NRC. The terms, <i>inter alia</i>, relating to Exercise Price and Exercise Period in respect of such lapsed Shares to be granted, as aforesaid, will be determined by the NRC at the time of grant as it may deem fit at its absolute discretion.</p>	20	<p>With a view to align the ESOP Scheme with SEBI SBEB & SE Regulations, it is proposed to revise the clause as follows:</p> <p>In case any Options issued to Eligible Employees are not exercised by the respective Eligible Employees during the Exercise Period, such Options shall (unless otherwise determined by the Trustee(s) in consultation with the NRC) irrevocably lapse and the same may be granted afresh by the NRC to such Eligible Employee(s) or other Employees, either under this Scheme or otherwise, as the NRC may deem fit in its sole and absolute discretion.</p>
24	<p>Compliance with Regulatory Provisions</p> <p>24.1 This Scheme shall be subject to all applicable laws, rules, regulations, notifications and to such approvals by Members and any governmental agencies as may be required in law. The grant of the Shares under this Scheme shall entitle the Company to require the Employees to comply with such requirements of law in force from time to time.</p> <p>24.2 Anything to the contrary herein notwithstanding, the Company's obligation to sell and deliver Shares under this Scheme is subject to such compliance with laws, rules and regulations applying to the authorisation, issuance or sales of securities, as the Company deems necessary or advisable.</p>	23	<p>For ease of administration and implementation of the ESOP Scheme, the clause is proposed to be revised as below:</p> <p>This Scheme shall be subject to all applicable laws, rules, regulations, notifications and to such approvals by Members and any governmental agencies as may be required in law. The grant of the Shares under this Scheme shall entitle the Company to require the Employees to comply with such requirements of law in force from time to time.</p>
26	<p>Confidentiality</p> <p>26.3 The Board shall, <i>inter alia</i>, disclose in the Directors' Report, such disclosures as may be required under the Companies Act, 2013 read with the Rules framed thereunder, as may be amended from time to time and under, any other applicable law and include such other details as the Directors may deem fit to disclose.</p>	25	<p>To broaden the scope of disclosures, the clause is proposed to be revised as below:</p> <p>25.3 The Board shall, <i>inter alia</i>, disclose in the Directors' Report, such disclosures as may be required under the applicable law and include such other details as the Directors may deem fit to disclose. <u>The Board may also make such other disclosures as required under applicable law, as it deems fit.</u></p>

30	Risk associated with the Scheme Participation in this Scheme shall not be construed as guarantee or assurance of any return on the equity investment in the Shares. Any loss due to the fluctuation in the market price or Fair Market Value of the Shares and the risks attached with the investment are that of the Eligible Employee alone and neither the Company nor the Trust, the NRC (or its members) or the Trustees shall be responsible for the same.	29	To provide clarificatory language, this clause is proposed to be revised as follows: Participation in this Scheme shall not be construed as guarantee or assurance of any return on the equity investment in the Shares. Any loss due to the fluctuation in the Fair Market Value of the Shares and the risks attached with the investment are that of the Eligible Employee alone and neither the Company nor the Trust, the NRC (or its members) or the Trustees shall be responsible for the same.
34	Amendment This Scheme may be changed after the date it comes into effect. However, no change to the Scheme shall be detrimental to the interests of the Employees. The Company may by a special resolution in a general meeting vary the terms of the Scheme provided such variation is not prejudicial to the interest of the Employees. Notwithstanding the forgoing, the NRC shall also be entitled to exercise the powers granted to it under the provisions of Clause 5 above. In the event of an occurrence in the change in applicable law takes place and such change in applicable laws have the effect of amending/modifying any of the provisions of this Scheme, then such applicable laws shall be deemed to automatically amend or modify the Scheme and the provisions of the Scheme shall be interpreted accordingly. In the event the Shares of the Company are listed on a recognized Stock Exchange, this Scheme shall be amended to bring the same in compliance with the SEBI ESOP Guidelines and, accordingly, any Options Granted but which have not been Exercised or which are to be Granted after the listing of the Shares on a Stock Exchange, shall be governed by the SEBI ESOP Guidelines.	33	With a view to align the authority vested with Committee to amend the terms of the plan to meet any regulatory requirements without seeking shareholders' approval (as provided under SEBI SBEB & SE Regulations, it is proposed to revise the clause as follows: This Scheme may be changed after the date it comes into effect. However, no change to the Scheme shall be detrimental to the interests of the Employees. The Company may by a special resolution in a general meeting vary the terms of the Scheme provided such variation is not prejudicial to the interest of the Employees. <u>However, post Listing, the NRC shall be entitled to vary the terms of this Scheme to meet any regulatory requirement without seeking approval of the Members.</u> Notwithstanding the forgoing, the NRC shall also be entitled to exercise the powers granted to it under the provisions of Clause 5 above. In the event of an occurrence in the change in applicable law takes place and such change in applicable laws have the effect of amending/modifying any of the provisions of this Scheme, then such applicable laws shall be deemed to automatically amend or modify the Scheme and the provisions of the Scheme shall be interpreted accordingly. In the event the Shares of the Company are listed on a recognized Stock Exchange, this Scheme shall be amended to bring the same in compliance with the SEBI ESOP Guidelines and, accordingly, any Options Granted but which have not been Exercised or which are to be Granted after the Listing of the Shares on a Stock Exchange, shall be governed by the SEBI ESOP Guidelines.

Annexure IV (Part I)	<p>For ESOPs granted under the Scheme, prior to ESOP 2018 plan:</p> <p>Treatment of Shares held by the Eligible Employee, while in service of Tata Capital Limited ("Company"), holding company ("HoldCo"), subsidiary company ("SubCo") or any other Tata Group Company, have been contemplated in Table A, given below.</p> <p>Treatment of Options and Shares held by the Eligible Employee, after separation from the services of the Company, HoldCo, SubCo or any other Tata Group company due to resignation, termination (dismissal and discharge), superannuation, transfer, death or permanent incapacitation of the Eligible Employee, have been contemplated below:</p> <p>Resignation (but not termination):</p> <p>Options Vested but not Exercised - Lapsed, as per the respective ESOP plan under the Scheme.</p> <p>Shares - As contemplated in Table A below.</p> <p>Termination (dismissal or discharge) of services:</p> <p>Options Vested but not Exercised - Lapsed, as per the respective ESOP plan under the Scheme.</p> <p>Shares - In case of an Employee whose services are terminated for cause as provided under the Scheme, the Exit Options as contemplated in Table A shall not be applicable.</p> <p>Superannuation/Retirement:</p> <p>Options Vested but not Exercised - Lapsed, as per the respective ESOP plan under the Scheme.</p> <p>Shares - In the event an Employee superannuates/retires from the services of the Company, its SubCo, HoldCo or any Tata Group company, he may sell back the Shares purchased by him anytime to the Trust, on the last working day or thereafter, at the then prevailing FMV, as per the respective ESOP plan under the Scheme.</p>	Annexure IV (Part I)	<p>Pursuant to the exercise of all options granted prior to 2018 and in absence of any outstanding options left, Annexure IV (Part I) is proposed to be revised in order to delete the provisions relating to treatment of options. However, the treatment of shares are proposed to be retained which will be applicable until listing.</p> <p><u>For ESOPs granted under the Scheme to the eligible employees prior to 2018:</u></p> <p><u>Until Listing</u>, treatment of Shares held by the Eligible Employee, <u>after separation</u> / while in service of Tata Capital Limited ("Company"), holding company ("HoldCo"), subsidiary company ("SubCo") or any other Tata Group company, have been contemplated in Table A, given below. <u>However, post Listing, this provision shall not apply.</u></p>
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	<p>Death:</p> <p>Options Vested but not Exercised - Lapsed, as per the respective ESOP plan under the Scheme.</p> <p>Shares - In the event of death of an Eligible Employee, the nominee(s) or legal heir(s) may sell back the Shares purchased to the Trust, anytime, at the then prevailing FMV. The Eligible Employee can be in service or may have resigned (but not terminated) or superannuated/retired from the Company, HoldCo, SubCo or any other Tata Group company, at the time of his death.</p> <p>Permanent Incapacitation:</p> <p>Options Vested but not Exercised - Lapsed, as per the respective ESOP plan under the Scheme.</p> <p>Shares - In the event of permanent incapacitation, the Eligible Employee may sell back the Shares purchased by him anytime to the Trust at the then prevailing FMV, irrespective of whether the Eligible Employee is in service or has resigned (but not terminated) or has superannuated/retired from the Company, its SubCo, HoldCo or any other Tata Group company, at the time of his permanent incapacitation.</p> <p>Transfer to other Tata Group company:</p> <p>Options Vested but not Exercised - Lapsed, as per the respective ESOP plan under the Scheme.</p> <p>Shares - As contemplated in Table A. In case, the said Employee has availed of any loan extended by the company for the specific purpose of purchasing Shares under the said proposal, the Employee would be required to settle the same prior to the transfer."</p>		
Annexure IV (Part II)	<p>For ESOPs granted under ESOP 2018 plan of the Scheme and thereafter:</p> <p>Treatment of Shares held by the Eligible Employees, while in service of the Company, HoldCo, SubCo or any other Tata Group company. As per the provisions of the respective ESOP plans under the Scheme, as approved by the NRC, from time to time.</p> <p>Treatment of Options and Shares held by the Eligible Employees, after separation from the services of the Company, HoldCo, SubCo or any other Tata Group company due to resignation, termination (dismissal and discharge), superannuation, transfer, death or permanent incapacitation of the Eligible Employee, have been contemplated below:</p> <p>Resignation (but not termination):</p> <p>Options not Vested - All Unvested Options shall lapse.</p> <p>Options Vested but not Exercised - All Options Vested but not Exercised can be exercised till the last working date. Post the last working date, any unexercised Options will lapse.</p>	Annexure IV (Part II)	<p>With a view to provide clarificatory language, it is proposed to revise Annexure IV (Part II) as follows:</p> <p>For ESOPs granted to the Eligible Employee on or after 2018:</p> <p>Treatment of Options held by the Eligible Employees, after separation from the services of the Company, HoldCo, SubCo or any other Tata Group company (as defined under the applicable law) due to resignation, termination (dismissal and discharge), superannuation, transfer, death or permanent incapacitation of the Eligible Employee, have been contemplated below:</p> <p>Resignation (but not termination):</p> <p>Options not Vested - All Unvested Options shall lapse.</p> <p>Options Vested but not Exercised - All Options Vested but not Exercised can be exercised till the last working date. Post the last working date, any unexercised Options will lapse.</p>

<p>Shares - There will be no buyback of Shares by the Trust.</p> <p>Termination (Dismissal or Discharge) of services:</p> <p>Subject to the discretion of the NRC:</p> <p>Options not Vested - All Unvested Options shall lapse.</p> <p>Options Vested but not Exercised - All Options Vested but not Exercised, shall lapse.</p> <p>Shares - There will be no buyback of Shares by the Trust.</p> <p>Superannuation/Retirement or Transfer to any Tata Group company:</p> <p>Options not Vested - All Unvested Options will continue to vest as per the respective ESOP plan under the Scheme, as approved by NRC.</p> <p>Options Vested but not Exercised - All Vested Options can be exercised as per the respective ESOP plan under the Scheme, as approved by NRC.</p> <p>Shares - There will be no buyback of Shares by the Trust.</p> <p>Death:</p> <p>Options not Vested - All unvested Options shall vest immediately in the legal heir(s) or nominee(s) of the Eligible Employee.</p> <p>Options Vested but not Exercised - Legal heir(s) / nominee(s) of the Eligible Employee, may exercise the Vested Options by the end date for exercising as per the provisions of the respective ESOP plan under the Scheme, as approved by the NRC.</p> <p>Shares - There will be no buyback of Shares by the Trust.</p> <p>Permanent Incapacitation:</p> <p>Options not Vested - All unvested Options shall vest immediately in the Eligible Employee, on the date of the incapacitation.</p> <p>Options Vested but not Exercised - The Eligible Employee may exercise the Options by the end date for exercising, as per the provisions of the ESOP plan under the Scheme, as approved by the NRC.</p> <p>Shares - There will be no buyback of shares by the Trust.</p>	<p>Termination (Dismissal or Discharge) of services:</p> <p>Subject to the discretion of the NRC:</p> <p>Options not Vested - All Unvested Options shall lapse.</p> <p>Options Vested but not Exercised - All Options Vested but not Exercised, shall lapse <u>on the last working date</u>.</p> <p>Superannuation/Retirement or Transfer to any Tata Group company (as defined under the applicable law), in accordance with the applicable laws:</p> <p>Options not Vested - All Unvested Options will continue to vest as per <u>Letter of Offer issued pursuant</u> to the Scheme, as approved by NRC.</p> <p>Options Vested but not Exercised - All Vested Options <u>shall continue to vest</u> can be exercised as per the <u>Letter of Offer issued pursuant to</u> the Scheme.</p> <p>Death:</p> <p>Options not Vested - All unvested Options shall vest immediately in the legal heir(s) or nominee(s) of the Eligible Employee.</p> <p>Options Vested but not Exercised - Legal heir(s) / nominee(s) of the Eligible Employee, may exercise the Vested Options as per the <u>Letter of Offer issued pursuant to</u> the Scheme.</p> <p>Permanent Incapacitation:</p> <p>Options not Vested - All unvested Options shall vest immediately in the Eligible Employee, on the date of the incapacitation.</p> <p>Options Vested but not Exercised - <u>All Vested Options shall continue to vest</u> the Eligible Employee may exercise the Options by the end date for exercising, as per the <u>Letter of Offer issued pursuant to</u> the Scheme, as approved by the NRC.</p>
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