

January 20, 2024

The Manager, Listing Department,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400051
Symbol: POONAWALLA

The Secretary, Listing Department
BSE Limited
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001
Company Code: 524000

Subject: Submission of Postal Ballot Notice - Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir / Madam,

Pursuant to Regulation 30 read with Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we forward herewith a copy of the Postal Ballot Notice dated January 18, 2024 of Poonawalla Fincorp Limited ('Company'), for seeking approval of the Members of the Company for the Special Resolutions as stated in the Notice.

In compliance with the various Circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India, this Postal Ballot Notice is being sent in electronic form only to those Members of the Company whose names appear in the Register of Members/List of Beneficial Owners as received from the Depositories/ Link Intime India Private Limited, the Company's Registrars and Share Transfer Agents ('RTA') as on Thursday, January 18, 2024 ('Cut-Off Date').

The Company has engaged the services of National Securities Depository Limited ('NSDL') to provide remote e-voting/e-voting facility to its Members.

The remote e-voting period commences on Sunday, January 21, 2024 at 9:00 a.m. (IST) and ends on Monday, February 19, 2024 at 5:00 p.m. (IST).

The detailed procedure for remote e-voting is provided in the Notes to the Postal Ballot Notice.

The Postal Ballot Notice is also available on the website of the Company at www.poonawallafincorp.com.

Kindly take the same on record.

Thanking you,
Yours faithfully,
For Poonawalla Fincorp Limited

Shabnum Zaman
Company Secretary
ACS 13918

Poonawalla Fincorp Limited

CIN: L51504PN1978PLC209007

Registered Office: 201 and 202, 2nd floor, AP81, Koregaon Park Annex, Mundhwa, Pune - 411 036

T: +91 20 67808090 | **E:** info@poonawallafincorp.com | **W:** www.poonawallafincorp.com

POONAWALLA FINCORP LIMITED**Registered office:** 201 and 202, 2nd floor, AP81, Koregaon Park Annex, Mundhwa, Pune - 411 036, Maharashtra**Phone:** 020 6780 8090 **CIN:** L51504PN1978PLC209007**Website:** www.poonawallafincorp.com **Email:** secretarial@poonawallafincorp.com**NOTICE OF POSTAL BALLOT**

(Pursuant to Sections 108 and 110 of the Companies Act, 2013, read with Rules 20 and 22 (1) of the Companies (Management and Administration) Rules, 2014, as amended)

REMOTE E-VOTING STARTS ON	REMOTE E-VOTING ENDS ON
Sunday, January 21, 2024 at 9:00 a.m. (IST)	Monday, February 19, 2024 at 5:00 p.m. (IST)

Dear Members,

NOTICE is hereby given to the shareholders ("**Members**") of Poonawalla Fincorp Limited ("**Company**") that pursuant to the provisions of Sections 108 and 110 of the Companies Act, 2013 ("**the Act**"), read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("**Management Rules**") and other applicable provisions, if any, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the provisions of Secretarial Standard on General Meetings ("**SS-2**") read with the General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, the General Circular No. 10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 08, 2021, General Circular No. 02/2022 dated May 05, 2022, General Circular No. 11/2022 dated December 28, 2022 and General Circular No 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs (together "**MCA Circulars**") and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 (together "**SEBI Circulars**") and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendments thereto ("**SEBI Listing Regulations**"), the resolution appended below is proposed to be passed as a Special Resolution by way of a postal ballot ("**Postal Ballot**") through remote electronic voting process ("**remote e-voting/e-voting**").

In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act read with the Management Rules, Regulation 44 of the SEBI Listing Regulation and the MCA Circulars, Members can vote only through the remote e-voting. Accordingly, the Company is pleased to offer a remote e-voting facility to all its Members to cast their votes electronically and has engaged the services of National Securities and Depository Limited ("**NSDL**") for facilitating the e-voting process.

Members are requested to read the instructions in the notes under the section "**General information and instructions relating to e-voting**" in this postal ballot notice ("**Postal Ballot Notice**") to cast their vote(s) electronically. Members are requested to cast their votes through the e-voting process not later than 5:00 P.M. IST on **Monday, February 19, 2024**, to be eligible for being considered, failing which it will be strictly considered that no vote has been received from the Member.

The Board of Directors of the Company have appointed Mr. Girish Bhatia, Practicing Company Secretary (Membership No. FCS 3295, CP No. 13792) as the Scrutinizer for conducting the Postal Ballot only through the remote e-voting process in a fair and transparent manner.

The explanatory statement under Section 102(1) of the Act ("**Explanatory Statement**") setting out the material facts concerning the proposed resolution and the reasons thereof are annexed hereto for your consideration.

SPECIAL BUSINESS(ES):**1. Approval for the Employee Stock Option Plan – 2024 through an employee welfare trust.**

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

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 (**“the Act”**) (including any statutory modifications or re-enactment thereof) read with the rules made thereunder, the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**) as amended, the Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021 (**“SBEB & SE Regulations”**) as amended, issued by the Securities and Exchange Board of India (**“SEBI”**) and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the **“Board”** which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted / delegated in order to exercise its powers, including the powers, conferred by this resolution) to approve ‘Employee Stock Option Plan - 2024’ (**“ESOP - 2024”** or **“Plan”**) which having face value of INR 2 (**“Equity Shares”**) by an employee welfare trust, the salient features of which are furnished in the explanatory statement annexed to this Notice to such persons who are present and future employees of the Company including Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares), whether whole-time or otherwise, whether working in India or out of India and selected by the Board in its sole and absolute discretion (**“Eligible Employees”**), at such price or prices, in one or more tranches and on such terms and conditions, as may be fixed or determined by the Board in accordance with the Plan and applicable law.

RESOLVED FURTHER THAT the maximum number of options to be granted to the Eligible Employees (of both, the Company and its holding and subsidiary company(ies)) under the ESOP-2024, shall not cumulatively exceed 1,50,00,000 (One Crore Fifty Lakhs) options and such options shall not be convertible into Equity Shares exceeding 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares, except where adjustments, if any, are made by the Board in respect of options granted to the Eligible Employees under the Plan on account of any changes in capital structure of the Company.

RESOLVED FURTHER THAT the Board is empowered to make fair and reasonable adjustment to number of options granted to the Eligible Employees and / or the price at which such options may be exercised, in its sole and absolute discretion in accordance with applicable laws and regulations to the terms of grant made under the Plan in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re-organisation, change in capital and others, or sub-division or consolidation of Equity Shares. It is hereby clarified that in making such fair and reasonable adjustment, the cumulative Equity Shares transferred to the Eligible Employees on exercise of options under the Plan can exceed 1,50,00,000 Equity Shares, to the extent that such excess represents a fair and reasonable adjustment.

RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to implement, formulate, evolve, decide upon and bring into effect the Plan and to modify, change, vary, alter, amend, revise, suspend or terminate the Plan subject to the compliance with the applicable laws and regulations including but not limited to, amendment(s) with respect to price, period, eligibility criteria or to suspend, withdraw, terminate or revise the Plan in such manner as the Board may determine in its sole discretion and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and to the Equity Shares to be transferred pursuant to the proposed Plan without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof.

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

RESOLVED FURTHER THAT subject to the extent allowed under the applicable laws and regulations, the Board be and is hereby authorized to delegate its powers to the Nomination and Remuneration Committee of the Board with a power to further delegate to any executives / officers of the Company, to do required acts, deeds, matters and things as also to execute such documents, writings, agreement, etc. as may be deemed necessary in this regard.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, and things, as it may, at its absolute discretion, deem necessary including authorizing or directing the Nomination and Remuneration Committee to appoint advisors,

consultants or representatives, being incidental to the effective implementation and administration of the Plan as also to prefer applications to the appropriate authorities, parties and the institutions for their requisite approvals as also to initiate all necessary actions, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.”

2. Approval for secondary acquisition of shares of the Company by an employee welfare trust for the purpose of implementation of Employee Stock Option Plan – 2024

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

RESOLVED THAT applicable provisions of the Companies Act, 2013 (“**the Act**”) (including any statutory modifications or re-enactment thereof) read with the rules made thereunder, the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) as amended, the Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021 (“**SBEB & SE Regulations**”) as amended, issued by the Securities and Exchange Board of India (“**SEBI**”) and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted / delegated in order to exercise its powers, including the powers, conferred by this resolution) to the Board to implement Employee Stock Option Plan -2024 (“**ESOP - 2024**” or “**Plan**”) through an Employee Welfare Trust (hereinafter referred to as “**Trust**”) to be set up as per the provisions of all applicable laws, including without limitation, Indian Trusts Act, 1882, as amended, the Act and SBEB & SE Regulations and the Rules made thereunder and the Trust to acquire, purchase, hold and deal in Equity Shares for the purpose of implementation of the ESOP - 2024 and in due compliance with the provisions of the SBEB & SE Regulations, the Act (including rules framed thereunder) and other applicable laws and regulations so that the total number of Equity Shares acquired by way of secondary acquisition of Equity Shares by the Trust shall not cumulatively exceed 1,50,00,000 (One Crore Fifty Lakhs), throughout the term of the Plan, except where adjustments, if any, are made by the Board in respect of options granted to the Eligible Employees under the Plan on account of any changes in capital structure of the Company.

3. Extension of the Employee Stock Option Plan – 2024 to the employees of the holding company and subsidiary company(ies) (if any, in future) of the Company.

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

RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 (“**the Act**”) (including any statutory modifications or re-enactment thereof) read with the rules made thereunder, the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) as amended, the Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021 (“**SBEB & SE Regulations**”) as amended, issued by the Securities and Exchange Board of India (“**SEBI**”) and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted/ delegated in order to exercise its powers, including the powers, conferred by this resolution) to approve the ‘Employee Stock Option Plan - 2024’ (hereinafter referred to as the “**ESOP- 2024**” or “**Plan**”) by way of issuance of employee stock options, the salient features of which are furnished in the explanatory statement to this Notice to such persons who are present and future employees, including directors, of the Company’s holding Company and existing and future subsidiary company(ies) (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), whether whole-time or otherwise, whether working in India or out of India and selected by the Board in its sole and absolute discretion (“**Eligible Employees**”), at such price or prices, in one or more tranches and on such terms and conditions, as may be fixed or determined

by the Board in accordance with the Plan and applicable law, exercisable into corresponding number of fully-paid equity shares of the Company of face value of Rs. 2/- (“**Equity Shares**”), where one employee stock option would convert into one equity share upon exercise and be transferred to the option grantee by the employee welfare trust.

RESOLVED FURTHER THAT the maximum number of options to be granted to the Eligible Employees (of both, the Company and its holding and subsidiary company(ies)) under the ESOP- 2024, shall not cumulatively exceed 1,50,00,000 (One Crore Fifty Lakhs) options and such options shall not be convertible into Equity Shares exceeding 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares, except where adjustments, if any, are made by the Board in respect of options granted to the Eligible Employees under the Plan on account of any changes in capital structure of the Company.

RESOLVED FURTHER THAT the Board is empowered to make fair and reasonable adjustment to number of options granted to the Eligible Employees and / or the price at which such options may be exercised, in its sole and absolute discretion in accordance with applicable laws and regulations to the terms of grant made under the Plan in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re-organisation, change in capital and others, or sub-division or consolidation of Equity Shares. It is hereby clarified that in making such fair and reasonable adjustment, the cumulative equity shares of the Company transferred to the Eligible Employees on exercise of options under the Plan can exceed 1,50,00,000 Equity Shares, to the extent that such excess represents a fair and reasonable adjustment.

RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to implement, formulate, evolve, decide upon and bring into effect the Plan and to modify, change, vary, alter, amend, revise, suspend or terminate the Plan subject to the compliance with the applicable laws and regulations including but not limited to, amendment(s) with respect to price, period, eligibility criteria or to suspend, withdraw, terminate or revise the Plan in such manner as the Board may determine in its sole discretion and to do all such acts, deeds, matters and things as it may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and to the Equity Shares to be issued pursuant to the proposed Plan without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof.

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

4. Grant of employee stock options equal to or exceeding 1% of the issued share capital of the Company to identified employees of the Company.

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

“RESOLVED THAT RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 (“**the Act**”) (including any statutory modifications or re-enactment thereof) read with the rules made thereunder, the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) as amended, the Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021 (“**SBEB & SE Regulations**”) as amended, issued by the Securities and Exchange Board of India (“**SEBI**”) and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permission, the Members of the Company be and hereby accords its approval to grant options under the Employee Stock Option Plan – 2024 (“**ESOP -2024 or Plan**”) equal to or exceeding 1% (one percent) of the issued share capital of the Company (excluding outstanding warrants and conversions), during any financial year to identified present or future employees of the Company, including directors of the Company (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), whether whole-time or otherwise, whether working in India or out of India and selected by the Board in its sole and absolute discretion (“**Eligible Employees**”), as may be determined by Nomination and Remuneration Committee from time to time.

RESOLVED FURTHER THAT that the Nomination and Remuneration Committee of the Company be and is hereby authorized to issue letter of grant and do all such acts, deeds and things for and on behalf of the Company as may be necessary for granting options to the Eligible Employees of the Company.”

5. Grant of employee stock options equal to or exceeding 1% of the issued share capital of the Company to identified employees of the holding and subsidiary(ies) companies of the Company.

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

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 (**“the Act”**) (including any statutory modifications or re-enactment thereof) read with the rules made thereunder, the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**) as amended, the Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021 (**“SBEB & SE Regulations”**) as amended, issued by the Securities and Exchange Board of India (**“SEBI”**) and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permission, the Members of the Company be and hereby accords its approval to grant options under the Employee Stock Option Plan – 2024 (**“ESOP -2024 or Plan”**) equal to or exceeding 1% (one percent) of the issued share capital of the Company (excluding outstanding warrants and conversions), during any financial year to identified present or future employees of the holding and subsidiary(ies) company, including directors of the Company (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), whether whole-time or otherwise, whether working in India or out of India and selected by the Board in its sole and absolute discretion (**“Eligible Employees”**), as may be determined by Nomination and Remuneration Committee from time to time.

RESOLVED FURTHER THAT that the Nomination and Remuneration Committee of the Company be and is hereby authorized to issue letter of grant and do all such acts, deeds and things for and on behalf of the Company as may be necessary for granting options to the Eligible Employees of the Company.”

6. Provision of money by the Company for purchase of its own shares by the employee welfare trust for the benefit of its Employees under Employee Stock Option Plan 2024.

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

“RESOLVED THAT pursuant to the provisions of Section 67 of the Companies Act, 2013 (**“the Act”**) (including any statutory modifications or re-enactment thereof) read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 3 of the Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021 (**“SBEB & SE Regulations”**), the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**) as amended, any other rules, regulations and guidelines issued by any other regulatory or governmental authority and such approvals, consents, permissions and sanctions, as may be required, and further subject to such terms and conditions as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to and accepted by the Company, consent of the Members be and is hereby accorded to grant an interest free unsecured loans, to provide guarantee or security in connection with a loan or any other financial assistance to, the employee welfare trust (hereinafter referred to as **“Trust”**) set-up or to be set up by the Company from time to time, in one or more tranches, value of which shall not exceed the statutory ceiling of 5% (five percent) of the aggregate of the paid up share capital and free reserves, for the purpose of purchase of fully paid-up equity shares of the Company having face value of INR 2 (**“Equity Shares”**) through secondary market acquisition, in one or more tranches, subject to the ceiling of Equity Shares as may be prescribed under the Employee Stock Option Plan- 2024 and amendment thereto (**“ESOP- 2024”** or **“Plan”**), or under any other share based employee benefit plan which may be introduced by the Company from time to time (hereinafter referred to as **“Employee Benefit Plans”**), with a view to deal in such Equity Shares in line with the contemplated objectives of the Plan and/or Employee Benefit Plans or for any other purpose(s) as permitted under and in due compliance with the provisions of the SBEB & SE Regulations, the Act (including the rules framed thereunder) and other applicable laws and regulations.

RESOLVED FURTHER pursuant to the applicable provisions of the Act, (including any statutory modifications or re-enactment thereof) read with the rules made thereunder, the Memorandum and Articles of Association of the Company, the SEBI Listing Regulations, SBEB & SE Regulations, issued by SEBI and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permission, the Members of the Company be and hereby accords its approval to the Trust to acquire equity shares of the Company by way of secondary acquisition for implementing the Plan, with such acquisition (in one or more tranches) not cumulatively exceeding 1,50,00,000 Equity Shares, except where adjustments, if any, are made by the Board in respect of options granted to the Eligible Employees under the Plan on account of any changes in capital structure of the Company.

RESOLVED FURTHER THAT in the case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re- organisation, change in capital and others, or sub-division or consolidation of equity shares of the Company, the maximum number of equity shares of the Company that can be acquired from the secondary market by the Trust shall stand appropriately adjusted (as may be decided by the Board).

RESOLVED FURTHER THAT any loan provided by the Company shall be repayable to and recoverable by the Company from time to time during the term of the Plan and or Employee Benefit Plans as the case may be.

RESOLVED FURTHER THAT the Trust shall use the loan amount disbursed from time to time only for the purposes of the ESOP-2024 in accordance with provisions of SBEB & SE Regulations.

RESOLVED FURTHER THAT the Trust shall not deal in derivatives and shall undertake transactions as permitted by SBEB&SE Regulations & the Trustees of the Trust shall not vote in respect of the Equity Shares held by such Trust & also ensure compliance with SBEB & SE Regulations, the Act (including the rules framed thereunder), and all other applicable laws at all times in connection with dealing with the Equity Shares including but not limited to maintenance of proper books of account, records and documents as prescribed.

RESOLVED FURTHER THAT for the purposes of disclosures to the stock exchange, the shareholding of the Trust shall be shown as non-promoter and non-public shareholding.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and sign deeds, documents, letters and such other papers as may be necessary, desirable and expedient, as it may in its absolute discretion deem fit or necessary or desirable for such purpose including giving effect to the aforesaid resolution and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company.

RESOLVED FURTHER THAT subject to the extent allowed under the applicable laws and regulations, the Board be and is hereby authorized to delegate such powers to the Nomination and Remuneration Committee of the Board with a power to further delegate to any executives / officers of the Company, to do required acts, deeds, matters and things as also to execute such documents, writings, agreement, etc. as may be deemed necessary in this regard."

Registered Office:

201 and 202, 2nd Floor, AP81,
Koregaon Park Annex,
Mundhwa, Pune – 411 036
Maharashtra

By order of the Board of Directors,
For Poonawalla Fincorp Limited

Shabnum Zaman
Company Secretary
ACS No.: 13918

Date: January 18, 2024
Place: Pune

NOTES:

1. The Explanatory Statement and reasons for the proposed Special Resolution pursuant to Section 102 read with Section 110 of the Companies Act, 2013 (**"the Act"**) and Secretarial Standards on General Meetings (**SS-2**) setting out material facts are appended herein below.
2. Mr. Girish Bhatia, Practicing Company Secretary (Membership No. FCS 3295, CP No. 13792) has been appointed as the Scrutinizer for conducting the postal ballot only through the remote e-voting process in a fair and transparent manner.
3. In compliance with the MCA Circulars, the Postal Ballot Notice is being sent by electronic mode to those Members whose names appear in the Register of Members/ List of Beneficial Owners maintained by the Company/ **Depositories** as Thursday, January 18, 2024 (**'Cut-off date'**) and whose e-mail IDs are registered with the Company/ Depositories. For Members who have not registered their e-mail IDs, please follow the instructions given under Note No.13.
4. In accordance with the provisions of the MCA Circulars, Members can vote only through the remote e-voting process. Members are requested to provide their assent or dissent through remote e-voting only.
5. As per the MCA Circulars, physical copies of this Postal Ballot Notice, Postal Ballot forms and pre-paid Business Reply Envelopes are not being sent to Members for this Postal Ballot. Members are requested to provide their assent or dissent through remote e-voting only.
6. In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act read with the Management Rules, the Company is pleased to offer remote e-voting facility to all the Members of the Company. For this purpose, the Company has engaged the services of National Securities and Depository Limited (NSDL) for facilitating e-voting to enable the Members to cast their votes electronically.
7. Members may please note that the Postal Ballot Notice will also be available on the Company's website at www.poonawallafincorp.com at its weblink i.e. <https://poonawallafincorp.com/pfca/assets/pdf/PFL-Postal-Ballot-Notice-dated-18-January-2024.pdf> and websites of the stock exchanges, i.e., BSE Limited (**BSE**) and National Stock Exchange of India Limited (**NSE**) at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at <https://nsdl.co.in/>
8. All the material documents referred to in the Explanatory Statement, or as may be relevant to/ connected with the proposed resolution, shall be available for inspection from 10:00 A.M. to 12:00 Noon on all working days from the date of dispatch of this Postal Ballot Notice at the registered office of the Company till the last date of remote e-voting by the Members.
9. The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from NSDL/ Central Depository Services (India) Limited (CDSL) as on Thursday, January 18, 2024. The Members whose name appears in the Register of Members/ list of Beneficial Owners as on Thursday, January 18, 2024, being the cut-off date, are entitled to vote on the Resolution set forth in this Postal Ballot Notice.
10. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on Thursday, January 18, 2024, being the cut-off date fixed for the purpose.
11. The voting through electronic means will **commence on, Sunday, January 21, 2024 at 9:00 a.m. (IST) and will end on Monday, February 19, 2024 at 5:00 p.m. (IST)**. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change subsequently.
12. A Member cannot exercise his/ her vote by proxy on Postal Ballot.
13. Members holding shares in physical mode and who have not registered / updated their e-mail address with the Company are requested to register / update the same by submitting duly filled and signed Form ISR-1 with the Registrar & Share Transfer Agent (**RTA**), Link Intime India Private Limited at rnt.helpdesk@linkintime.co.in. In case of any queries/difficulties in registering the e-mail address, Members may write to secretarial@poonawallafincorp.com. Members holding shares in dematerialized mode are requested to register/update their email addresses with the relevant Depository Participants.
14. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Postal Ballot Notice is being sent only through electronic mode to those Members whose email addresses are registered with the Depositories/ RTA. Members may note that the Postal Ballot notice will also be available on the Company's website www.poonawallafincorp.com at weblink i.e. <https://poonawallafincorp.com/pfca/assets/pdf/PFL-Postal-Ballot-Notice-dated-18-January-2024.pdf> and websites of the Stock Exchanges BSE and NSE at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at <https://www.evoting.nsdl.com>. Members not having their email IDs registered are requested to download a copy of Postal Ballot Notice available at the website of the Company at www.poonawallafincorp.com at the weblink <https://poonawallafincorp.com/investor.php>
15. Dispatch of the Postal Ballot Notice and the Explanatory Statement shall be announced through an advertisement published in one Regional Newspaper, widely circulated, and shall be hosted at the Company's website at

- www.poonawallafincorp.com. The said public notice shall also mention the process for registration of E-mail IDs by those Members who have not yet registered their email-ids with the RTA and Depository Participants.
16. The Scrutinizer will submit their report to the Chairman or any other Director after completion of the scrutiny and the result of the Postal Ballot e-voting process will be declared on or before Wednesday, February 21, 2024 at the Registered Office of the Company and the result will also be displayed on the Notice Board at the registered office of the Company, immediately after the declaration of the result by the Chairman or a person authorized by him in writing. The result of the Postal Ballot (including e-voting), along with the Scrutinizer's Report will be posted on the Company's website www.poonawallafincorp.com at its weblink i.e. <https://poonawallafincorp.com/investor.php>
 17. The result of the Postal Ballot shall be communicated to all the Stock Exchanges where the equity shares of the Company are listed and NSDL. The Special Resolution, if passed by the requisite majority, shall be deemed to have been passed on Monday, February 19, 2024 being the last date specified by the Company for remote e-voting.
 18. The resolution passed by Members with requisite majority, through Postal Ballot shall be deemed to have been passed at a General Meeting of Members convened on that behalf.
 19. Any query in relation to the resolution proposed to be passed through Postal Ballot may be addressed to Ms. Shabnum Zaman, Company Secretary at Email: shabnum.zaman@poonawallafincorp.com / secretarial@poonawallafincorp.com or query/ grievance with respect to e-voting, Members may refer to the Frequently Asked Questions (FAQs) for Members and E-voting User Manual for Members available under the Downloads section of NSDL's e-voting website or contact Mr. Amit Vishal, Deputy Vice President - NSDL and / or Ms. Pallavi Mhatre, Senior Manager – NSDL, , Trade World, "A" Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai - 400 013 at Toll Free No. 1800 1020 990/ 1800 22 44 30 or at E-mail ID : evoting@nsdl.com.
 20. Members who have not registered their e-mail addresses so far are requested to register the same so that they can receive all future communications from the Company electronically.
 21. **Awareness about Online Resolution of Disputes in the Indian Securities Market through Online Dispute Resolution ('ODR') Portal**
 - I. This is to inform you that Securities and Exchange Board of India ("SEBI") vide circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 issued guidelines for online resolution of disputes in the Indian securities market through establishment of a common ODR Portal which harnesses online conciliation and online arbitration for resolution of disputes arising between investors/clients and listed companies (including their RTA's) or specified intermediaries/regulated entities in the securities market.
 - II. SEBI vide circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 04, 2023 has further clarified that the investor shall first take up his/her/their grievance with the Market Participant (Listed Companies, specified intermediaries, regulated entities) by lodging a complaint directly with the concerned Market Participant. If the grievance is not redressed satisfactorily, the investor may, escalate the same through the SCORES Portal <https://scores.gov.in/scores/Welcome.html> in accordance with the process laid out. After exhausting the above options for resolution of the grievance, if the investor is still not satisfied with the outcome, he/she/they can initiate dispute resolution through the ODR Portal.
 - III. The SMART ODR Portal can be accessed at: <https://smartodr.in/login>.

General information and instructions relating to e-voting:

PROCESS AND MANNER FOR MEMBERS OPTING FOR E-VOTING

In compliance with provisions of Section 108 and 110 of the Act read with Rule 20 of the Management Rules including any amendments thereto and as per Regulation 44 of SEBI Listing Regulations, the Company is pleased to provide Members the facility to exercise their right to vote by electronic means and the business may be transacted through e-voting Services provided by NSDL.

The instructions for e-voting are as under:

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI Circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>1.Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e- Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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 hold 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 company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <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> <div style="display: flex; justify-content: space-around;">   </div>
Individual Shareholders holding securities in demat mode with 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 user your existing my easi username & password.</p>

Type of shareholders	Login Method
	<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 is 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 securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities 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 at 022 4886 7000 and 022 2499 7000
Individual Shareholders holding securities 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 at toll free no. 1800 22 55 33

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?
<p>1. 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.</p> <p>2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.</p>

3. A new screen will open. You will have to enter your User ID, your Password/OTP 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.

4. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) 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*****.
b) 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*****.
c) 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 127572 then user ID is 127572001***

5. Password details 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.

c) 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. a .pdf file. Open the .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 process for those shareholders whose email ids are not registered.

6. 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, etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e- Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system

How to cast your vote electronically on NSDL e-Voting system?

1. 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.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to girishbhatia1956@gmail.com with a copy marked to evoting@nsdl.com; rnt.helpdesk@linkintime.co.in and secretarial@poonawallafincorp.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to 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.
3. In case of any queries, you may 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 and 022-2499 7000 or send a request to Mr. Amit Vishal, Deputy Vice President - NSDL and / or Ms. Pallavi Mhatre, Senior Manager – NSDL at evoting@nsdl.com.

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

1. In case shares are held 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), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to rnt.helpdesk@linkintime.co.in.
2. In case shares are held 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), AADHAAR (self-attested scanned copy of Aadhaar Card) to your Depository Participants. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e., [Login method for e-Voting for Individual shareholders holding securities in demat mode.](#)
3. Alternatively, shareholder/Members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

Item No 1, 2,3, 4 & 5

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share-based compensation scheme/plan.

The Board of Directors of your Company understands the need to enhance the Employee engagement, to reward the Employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company.

In order to reward and retain the employees and to create a sense of ownership and participation amongst them, the Board of Directors has in its meeting held on Thursday, January 18, 2024 upon recommendation of Nomination and Remuneration Committee (“NRC”) approved the ‘Employee Stock Option Plan -2024’ (“ESOP- 2024” or “Plan”) to or for the benefit of such employees as defined in the Scheme (“Eligible Employee”), which would entitle them up to 1,50,00,000 (One Crore Fifty Lakh) options of the Company to be granted at exercise price.

The Plan shall be implemented and administered by the employee welfare trust (“Trust”). Further, the Plan contemplates that the Trust shall acquire, purchase, hold and deal in fully paid-up equity shares of the Company for the purpose of implementation of the ESOP- 2024. Equity shares of the Company shall be transferred by the Trust to the option grantees upon exercise of option. Free and utilisable shares available with the Trust, if any, would be utilised for transfer to eligible persons on vesting and exercise of their option under the Plan.

In terms of Regulation 6 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SBEB & SE Regulations”) and applicable provisions of the Companies Act, 2013 and rules made thereunder, an Employee Stock Options Scheme requires approval of the shareholders by way of a Special Resolution. The Special Resolutions set out at Item No. 1 to 5 is to seek your approval for the said purpose.

In terms of Reg 6(2) of the SBEB&SE Regulations read with Part C of Schedule I, the features of the Plan are provided below:

1. Brief description of the scheme :

This Plan shall be called the Employee Stock Option Plan 2024 (“ESOP- 2024” or “Plan”), which provides for implementation of the Plan through Secondary acquisition by employee welfare trust.

The objectives of the Plan are:

- A) create a sense of ownership and participation amongst the Employees;
- B) motivate the Employees with incentives and reward opportunities;
- C) drive entrepreneurship mindset of value creation for the organization;
- D) provide means to enable the Company to attract and retain appropriate human talent in the employment of the Company; and
- E) achieve sustained growth of the Company and the creation of shareholder value by aligning the interests of the Employees with the long-term interests of the Company.

2. The total number of options, shares or benefits, as the case may be, to be offered and granted:

The maximum number of options that may be granted under the Plan shall not exceed 1,50,00,000 (One Crore Fifty Lakhs Only) options convertible into 1,50,00,000 Equity Shares and the same shall be granted in one or more tranches, from time to time, as may be determined by the .

The SBEB & SE Regulations require that in case of any corporate action(s) such as rights issues, bonus issues,

reorganization of the shares, restructuring of the share capital of the Company, other reorganization of the Company in which the shares are converted into or exchanged, merger and sale of division, and others, a fair and reasonable adjustment be made to the benefits granted to the Eligible Employee under a stock option scheme. Accordingly, a fair and reasonable adjustment shall be made to the above ceiling and/or the Exercise Price and/or the Exercise Period and/or the Vesting criteria by the Nomination and Remuneration Committee subject to compliance of the SBEB & SE Regulations and other applicable law.

3. Identification of classes of employees entitled to participate and be beneficiaries in the ESOP- 2024:

Following classes of employees, which are selected by the NRC, are entitled to participate in the Plan:

- A) Permanent employee of the company who has been working in India or outside India; or
- B) Director of the company, whether a whole time director or not but excluding an independent director; or
- C) Permanent employees of the Company's holding company and subsidiary company(ies) working in India or out of India.

Following classes of employees are not eligible:

- a. An employee who is a Promoter or belongs to the Promoter Group;
- b. Director who either by himself or through his relatives or through any Body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company;

4. Requirement of Vesting and period of Vesting:

The options granted shall vest, so long as an employee continues to be in the employment of the Company or the subsidiary company(ies) or the holding company, as the case may be, as per the following vesting period:

TRANCHE	VESTING CRITERIA
Tranche – I	35% of the Options Granted will vest on the first anniversary of the Grant Date
Tranche – II	35% of the Options Granted will vest on the second anniversary of the Grant Date
Tranche – III	30% of the Options Granted will vest on the third anniversary of the Grant Date

The Nomination and Remuneration Committee, however, in its sole and absolute discretion can determine the Vesting criteria which may include performance based conditions or time based conditions in addition to the variance to the abovementioned time-based criteria, or deviate from the abovementioned time-based criteria having regard to the expertise, achievement or expected achievement of key performance indicators by the prospective Option Holder, terms of employment of the prospective Option Holder amongst any other factors that it deems fit. The Vesting criteria shall be communicated to the Option Holder under the Letter of Grant.

5. Maximum period [subject to Regulation 18(1) and 24(1) of the SBEB & SE Regulations, as the case may be] within which the Options shall be vested:

The maximum Vesting Period shall not exceed more than 10 (ten) years from the Grant Date.

6. Exercise Price, Purchase Price or Pricing Formula:

Exercise Price of the options granted to the Eligible Employees under the Plan shall be such price as determined by the Nomination and Remuneration Committee and communicated in the Letter of Grant.

The Nomination and Remuneration Committee will in accordance with the Plan and applicable laws lay down the procedure for making a fair and reasonable adjustment to the number of options, to the Exercise Price in case of corporate action in accordance with SBEB & SE Regulations and shall provide necessary procedures and/or mechanism

for exercising such options subject to applicable laws, rules and regulations.

7. Exercise period/offer period and process of exercise/acceptance of offer:

The Exercise Period will be determined by the Nomination and Remuneration Committee at the time of grant of options and will be detailed in the Letter of Grant.

The option holder may exercise the vested options within the Exercise Period. In the event the option holder fails to exercise his vested options within the Exercise Period then such vested options shall lapse and revert to the plan pool. The Company and/or the Nomination and Remuneration Committee will not have any obligation towards such option holder with respect to such lapsed options.

To exercise the options, the option holder will be required to submit an Exercise Letter to the Nomination and Remuneration Committee in such manner and on such format as provided in the Plan or otherwise as may be prescribed by the Nomination and Remuneration Committee from time to time, which shall be annexed with the Letter of Grant. The Nomination and Remuneration Committee at its sole and absolute discretion, may offer a cashless exercise mechanism of options for certain Eligible Employees.

8. The appraisal process for determining the eligibility of employees for the scheme(s):

The Nomination and Remuneration Committee shall determine the Grant in its absolute discretion, taking into consideration such factors but not limited to Eligible Employee's performance appraisal, seniority, period of service, role of the Eligible Employee, the present and potential contribution to the growth of the Company. Thereafter, from time to time, the Nomination and Remuneration Committee may grant Options to one or more Eligible Employee(s).

9. Maximum number of options shares, as the case may be, to be offered and issued per employee and in aggregate, if any:

The maximum number of options that may be granted to an Eligible Employee will be determined by the Nomination and Remuneration Committee on a case-to-case basis. The Nomination and Remuneration Committee may in any financial year grant options to an Eligible Employee which may be equal to or exceed 1% (One percent) of the issued equity share capital (excluding outstanding warrants and conversions) of the Company.

10. Maximum quantum of benefits to be provided per employee under a schemes:

Same as 9 above.

11. Whether the scheme is to be implemented and administered directly by the Company or through a Trust:

The Plan is proposed to be implemented and administered through Trust Route wherein the Trust shall acquire the Shares through Secondary Acquisition.

12. whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both;

In view of above, the Trust shall acquire the Shares through secondary acquisition and there will be no new issue of shares.

13. The amount of loan to be provided for implementation of the Plan by the Company to the Trust, its tenure, utilization, repayment terms, etc.:

The amount of loan to be provided for implementation of the ESOP- 2024 by the Company to the Trust shall not exceed 5% of the paid-up equity capital and free reserves as provided in Companies Act, 2013. The utilization of such loan shall

be for the objects of the Trust as mentioned in the trust deed. The tenure, utilization, repayment terms and other terms and conditions of loan shall be decided by the Board/ Nomination and Remuneration Committee from time to time, subject to compliance with the provisions of the Act and SBEB&SE Regulations.

14. The maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Plan:

In accordance with and for the purposes of the Plan and subject to the provisions of the applicable law, the Trust can undertake secondary acquisition of Equity Shares not exceeding 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares. However, the Trust may acquire additional Equity Shares in a scenario where the Board has made an adjustment to the options granted to the Eligible Employees on account of change of capital structure of the Company, including but not limited to corporate actions like a bonus issue or stock split of Equity Shares.

15. Statement to the effect that the company shall conform to the accounting policies specified in regulation 15:

The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

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

The Company shall use the Fair Value method to value the options being granted under the Plan. Necessary disclosure would be made in the Boards' Report of the Company.

Consent of the Members is being sought by way of Special Resolutions pursuant to Companies Act, 2013 and as per Regulation 6 of the SBEB & SE Regulations and all other applicable provisions, if any, for the implementation of the Plan through Trust.

A draft copy of the Plan is available for inspection by the Members, at the Registered Office of the Company, between 10:00 A.M. to 12:00 Noon on all working days (excluding Saturday, Sunday and Holidays) and on the Company's website at www.poonawallafincorp.com till the last date for voting by the Members.

The directors and key managerial personnel of the Company and/or their relatives may be deemed to be concerned or interested in these Resolutions only to the extent of any options that may be granted to them (along with the resultant Equity Shares transferred) that may be offered to them in accordance with the Plan.

Accordingly, the Board recommends the Special Resolution proposed at Item No. 1, 2, 3, 4 & 5 of this Notice for approval for Members.

Item No. 6

The Company intends to implement the Plan with a view to attract and retain key talents working with the Company, through secondary acquisition by the Trust, as permitted under the SBEB&SE Regulations.

The Board of Directors ("Board") in its meeting dated Thursday, January 18, 2024, accordingly, approved a resolution for sanctioning of loan by the Company to the Trust for the purposes of secondary acquisition of the Company's shares. The proposed loan is within the statutory limit of 5% of the aggregate of paid-up share capital and free reserves, as prescribed under SBEB&SE Regulations read with Rule 16 of the Companies (Share Capital and Debenture) Rules, 2014.

Particulars in respect of the Trust as required under Section 67 of the Companies Act, 2013 read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 are provided as below:

a. The class/classes of employees for whose benefit the Plan is being implemented and money is being provided for purchase and subscription of the shares:

The Plan will be implemented and money will be provided for purchase of shares for the benefit of “Eligible Employees”, as has been defined under the Plan. The class / classes of employees who are eligible subject to selection by the Board and / or the Nomination and Remuneration Committee (“**NRC/Committee**”) are as under:

1. Permanent employees of the Company working in India or out of India;
2. Director of the Company, whether a whole-time director or not but excluding an independent director; and
3. Permanent employees of the Company’s holding company and subsidiary company(ies) working in India or out of India.

Following classes of employees are not eligible:

1. An employee who is a Promoter or belongs to the Promoter Group;
2. Director who either by himself or through his relatives or through any Body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company;

b. The particulars of the Trustees or employees in whose favor such shares are to be registered:

For shares acquired under secondary acquisition, it is contemplated that one or more of the designated trustees shall acquire and hold the shares, on behalf of the option holders, in due compliance with the relevant provisions of SBEB&SE Regulations and other applicable law. The Trustees shall transfer the shares in favour of the employees on exercise of Options after realization of exercise price and applicable taxes.

c. The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any:

i. Particulars of the Trust

An irrevocable trust in the nature of an employee welfare trust is proposed to be set-up with the name “**PFL Employees Welfare Trust**” (“**Trust**”).

The proposed office address of Trust shall be: 201 and 202, 2nd Floor, AP 81, Koregaon Park Annex, Mundhwa, Pune- 411 036.

ii Particulars of the Trustees being appointed:

The Trustee(s) would be appointed by the Board and / or the Committee and in compliance with the applicable provisions of the Companies Act, 2013 and the SBEB & SE Regulations. The following persons shall not be appointed as a trustee to hold such shares, if he/she:

1. is a director, key managerial personnel or promoter of the company or its subsidiary or associate company or any relative of such director, key managerial personnel or promoter; or
2. beneficially holds 10% (Ten percent) or more of the paid-up share capital of the Company.

Name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any :

Name	Mr.Ashish Mehta, Ms.Smita Mitra and Mr.Manoj Gujran
Address	201 and 202, 2nd Floor, AP 81, Koregaon Park Annex, Mundhwa, Pune- 411 036
Occupation	Service
Nationality	Indian
Relationship	Not related to the Promoter, Directors and Key Managerial Personnel

d. Any interest of Key Managerial Personnel, Directors or Promoters in such scheme or trust and effect thereof:

Promoters are not eligible to be covered under the Plan. However, Key Managerial Personnel, Directors may be covered or interested under the Plan but only to the extent of stock options as may granted to them, if any, under the Plan and in due compliance with the SBEB&SE Regulations.

e. The detailed particulars of benefits which will accrue to the employees from the implementation of the Plan:

The eligible employees shall be granted employee stock options under the Plan which would vest subject to vesting conditions prescribed by the Committee or Board. After vesting and upon exercise of the vested options, the Trust shall transfer corresponding number of Equity Shares to the said employees. In case of cashless system of exercise of vested options, the Committee shall be entitled to specify such procedures and/or mechanisms for the equity shares to be dealt with thereon as may be necessary and the same shall be binding on the option holders.

f. The details about who would exercise and how the voting rights in respect of the shares to be purchased under the Plan would be exercised:

As per SBEB&SE Regulations the trustees shall not vote in respect of equity shares held in the Trust. In these circumstances, the voting rights can be exercised by an employee only when the equity shares are transferred to them upon exercise of vested options.

In terms of the relevant provisions of the SEBI SBEB&SE Regulations read with Rule 16 of the Companies (Share Capital and Debenture Rules) 2014, consent of the Members is being sought by way of a special resolution set out at Item No.6 of this Notice.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested in the Trust or the aforesaid Special Resolution, except to the extent of their entitlements, if any.

Accordingly, the Board recommends the Special Resolution proposed in Item No. 6 of this Notice for approval of Members.

Registered Office:

201 and 202, 2nd Floor, AP81,
Koregaon Park Annex,
Mundhwa, Pune – 411 036
Maharashtra

By order of the Board of Directors,
For Poonawalla Fincorp Limited

Shabnum Zaman
Company Secretary
ACS No.: 13918

Date: January 18, 2024
Place: Pune