

Ref: No. ABCL/SD/MUM/2023-24/March/02

March 11, 2024

To,
The Secretary
BSE Limited ("BSE"),
Corporate Relationship Department,
2nd Floor, New Trading Ring,
P.J. Towers, Dalal Street,
Mumbai – 400 001

Scrip Code: 540691**Scrip ID: ABCAPITAL**

To,
The Secretary
**National Stock Exchange of India Limited
("NSE")**,
"Exchange Plaza", 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051
Symbol: ABCAPITAL

Dear Sirs/Madam,

Sub: Disclosure of events under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("Listing Regulations")

Pursuant to Regulation 30 read with Schedule III of the Listing Regulations, we wish to inform that the Board of Directors of the Company ("**the Board**") at its meeting held today i.e. March 11, 2024 have considered and approved the Scheme of Amalgamation of Aditya Birla Finance Limited ("**Amalgamating Company**") (a wholly owned subsidiary of the **Company**) with the Company and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder ("**Scheme**"). The Scheme *inter alia* provides for the amalgamation of the Amalgamating Company with the Company, and dissolution of the Amalgamating Company without winding up.

The Scheme is *inter alia* subject to the sanction of National Company Law Tribunal (NCLT), Ahmedabad Bench and receipt of necessary approvals from the Reserve Bank of India, Stock Exchanges and Securities and Exchange Board of India, shareholders / creditors, as may be directed by the NCLT and such other regulatory / statutory authorities, as may be required.

In terms of the Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, we are furnishing herewith the details of the Scheme as **Annexure – I**.

The Scheme as approved by the Board would be available on the website of the Company at <https://www.adityabirlacapital.com/investor-relations/announcements-and-updates> after submission of the same with the Stock Exchanges.

Upon the Scheme becoming effective, Ms. Vishakha Mulye shall assume the role as MD & CEO and Mr. Rakesh Singh will assume the role as Executive Director and CEO (NBFC) of the merged amalgamated company, subject to regulatory /statutory approvals as may be required for these proposed appointments.

Aditya Birla Capital Limited**Corporate Office:**One World Center, Tower 1, 18th Floor, Jupiter Mill Compound,
841, Senapati Bapat Marg, Elphinstone Road, Mumbai, Maharashtra - 400 013

Tel: +91 22 6723 9101

abc.secretarial@adityabirlacapital.com | www.adityabirlacapital.com

Registered Office:Indian Rayon Compound,
Veraval, Gujarat – 362 266

Tel: +91 28762 43257

CIN: L67120GJ2007PLC058890

The Meeting commenced at 3.45 p.m. (IST) and concluded at 4.30 p.m. (IST).

Kindly take the above information on record and dissemination.

Yours sincerely
For Aditya Birla Capital Limited

Amber Gupta
Company Secretary & Compliance Officer

Cc:

Luxembourg Stock Exchange
Market & Surveillance Dept.,
P.O. Box 165, L-2011 Luxembourg,
Grand Duchy of Luxembourg

Citi Bank N.A.
Custodial Services
FIFC, 11th Floor, C-54 & 55, G Block
Bandra Kurla Complex
Bandra (East), Mumbai 400 051

Citi Bank N.A.
Depositary Receipt Services
388 Greenwich Street
14th Floor, New York,
NY 10013

Listing Agent
Banque Internationale à Luxembourg SA
69 route d'Esch
L - 2953 Luxembourg
Grand Duchy of Luxembourg

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Annexure I – Brief details of Amalgamation / Merger

Sr. No.	Particulars	Remarks
a)	Name of the entity(ies) forming part of the amalgamation / merger, details in brief such as size, turnover etc	<p><u>Aditya Birla Finance Limited (Standalone as on December 31, 2023)</u></p> <p>Total assets – INR 104,240.24 Crore Net worth – INR 14,649.94 Crore Turnover – INR 9,231.09 Crore*</p> <p><u>Aditya Birla Capital Limited (Standalone as on December 31, 2023)</u></p> <p>Total assets – INR 13,495.47 Crore Net worth – INR 13,306.87 Crore Turnover – INR 191.90 Crore*</p> <p><i>*For nine months ended December 31, 2023</i></p>
b)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arms’ length”	<p>The Amalgamating Company is a wholly owned subsidiary of the Amalgamated Company and as such both the Companies involved in the transaction are related parties to each other.</p> <p>However, in terms of General Circular No. 30/2014 dated July 17, 2014, issued by Ministry of Corporate Affairs (“MCA Circular”), the transactions arising out of compromises, arrangements and amalgamations under the Companies Act, 2013 (“Act”), will not attract the requirements of Section 188 of the Act.</p> <p>Further, in terms of Regulation 23(5)(b) of the Listing Regulations, any transaction entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval, is exempted from the provisions of Regulation 23(2), (3) & (4) of Listing Regulations.</p> <p>Further, upon amalgamation of the Amalgamating Company with the Amalgamated Company the shares held by the Amalgamated Company in the Amalgamating Company will stand cancelled and no consideration shall be issued by the Amalgamated Company.</p>

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c)	Area of business of the entity(ies)	<p>1. Aditya Birla Finance Limited (“Amalgamating Company”) is incorporated under the provisions of the Companies Act, 1956 with corporate identity number: U65990GJ1991PLC064603 and has its registered office at Indian Rayon Compound, Veraval – 362 266, Gujarat, India. The Amalgamating Company is a wholly owned subsidiary of the Amalgamated Company. The Amalgamating Company is registered with Reserve Bank of India (“RBI”) as non-deposit taking systemically important Non - Banking Financial Company (“NBFC - ICC”) in terms of the certificate of registration issued by the RBI, bearing registration no. N.01.00500, dated August 09, 2011. The Amalgamating Company has also been classified as an Upper Layer NBFC (“NBFC-UL”) as per the Scale Based Regulations by the RBI. The Amalgamating Company, <i>inter alia</i>, is offering end-to-end lending, financing and distributing financial products to retail, High Net-worth Individuals (“HNI”), ultra HNI, micro, small and medium enterprises (“MSME”), small and medium enterprises (“SME”) and corporate customers across India. The Amalgamating Company is also engaged in the business of distribution of financial products such as mutual funds, insurance products, etc. The non-convertible debentures of the Amalgamating Company are listed on the Stock Exchanges.</p> <p>2. Aditya Birla Capital Limited (“Amalgamated Company”) is incorporated under the provisions of the Companies Act, 1956 with corporate identity number: L67120GJ2007PLC058890 and has its registered office at Indian Rayon Compound, Veraval – 362 266, Gujarat, India. The equity shares of the Amalgamated Company are listed on the Stock Exchanges and the global depository shares of the Amalgamated Company are listed on the Luxembourg Stock Exchange. The Amalgamated Company is a systemically important non-deposit taking core investment company (“NBFC-CIC”) registered with the RBI in terms of the certificate of registration issued by the RBI, bearing registration no. B.01.00555, dated July 06, 2017. The Amalgamated Company has also been classified as a Middle Layer NBFC (“NBFC-ML”) as per the Scale Based Regulations by the RBI. The Amalgamated Company is presently a core investment company and through its subsidiaries and associate companies is offering end-to-end investing and financing solutions to a wide range of customers across the country. The Amalgamated Company’s product portfolio meets the varied financial requirements of a wide range of customers, such as the salaried and self-employed individuals, HNIs, ultra HNIs, micro-enterprises, SME, and large and mid-corporates and has business interests including that of non-banking financial institution, housing finance, asset management, broking, life and health insurance through its subsidiaries/ associate companies across India.</p>
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d)	Rationale for amalgamation/ merger	<p>The Amalgamating Company and the Amalgamated Company form part of the Aditya Birla group. The Amalgamating Company, a wholly owned subsidiary of the Amalgamated Company, is engaged in the business of lending and distribution of financial products. With the objective of simplifying the group structure it is proposed to consolidate the Amalgamating Company with the Amalgamated Company, its holding company.</p> <p>The rationale for, and the benefits of, the amalgamation of the Amalgamating Company into and with the Amalgamated Company, are <i>inter alia</i> as follows:</p> <ul style="list-style-type: none"> (i) rationalization and simplification of structure by reducing the number of legal entities; (ii) to achieve optimal and efficient utilization of capital, enhance operational and management efficiencies; (iii) the Amalgamated Company, being an operating company would have direct access to capital, thereby creating a unified larger entity with greater financial strength and flexibility; (iv) consolidation of the business, leading to synergies of operations and resulting in expansion and long-term sustainable growth, which will enhance value for various stakeholders of the Amalgamated Company; (v) seamless implementation of policy changes, reduction in the multiplicity of legal and regulatory compliances and costs rationalization resulting in improvement in shareholder returns; (vi) pooling of knowledge and expertise of both the parties and align with the business plans to meet long-term objectives; and (vii) ensuring on-going compliance with the Scale Based Regulations applicable to NBFCs, as notified by the RBI. <p>Upon the effectiveness of the amalgamation, the Amalgamated Company would, <i>inter alia</i>, be engaged into the following businesses (i) lending business (NBFC business of erstwhile Amalgamating Company and housing finance business through its 100% subsidiary) and (ii) various non-lending financial services and ancillary businesses, directly and indirectly, through subsidiaries/ associates.</p> <p>Accordingly, the Scheme is in the interest of both the companies involved and their respective stakeholders.</p>
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e)	In case of cash consideration – amount or otherwise share exchange ratio.	The Amalgamating Company is a wholly owned subsidiary of the Amalgamated Company. Upon the scheme becoming effective, the shares held by the Amalgamated Company in the Amalgamating Company will stand cancelled and there shall be no consideration for the amalgamation of the Amalgamating Company with the Amalgamated Company.
f)	Brief details of change in shareholding pattern (if any) of listed entity.	Post the Scheme becoming effective, the Amalgamating Company shall be dissolved without being wound up. Accordingly, the change in shareholding pattern of the Amalgamating Company shall not be applicable. There will not be any change in the equity shareholding pattern of the Amalgamated Company, pursuant to the Scheme as the Amalgamating Company is a wholly owned subsidiary of the Amalgamated Company.

For Aditya Birla Capital Limited

Amber Gupta
Company Secretary & Compliance Officer

Date: 11 March 2024

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