

FEDBANK FINANCIAL SERVICES LIMITED

CIN: U65910MH1995PLC364635

REGISTERED & CORPORATE OFFICE: Kanakia Wall Street, A-Wing, 5th Floor,
Unit No.511, Andheri – Kurla Road, Chakala, Andheri East, Mumbai 400093, Maharashtra

Phone: 022-68520664 **Email:** secretarial@fedfina.com **Website:** www.fedfina.com

NOTICE OF EXTRA-ORDINARY GENERAL MEETING

NOTICE is hereby given that an Extra-Ordinary General Meeting (EGM) of the members of Fedbank Financial Services Limited (the “**Company**”) will be held on **Thursday, the 22nd day of February, 2024 at 11.00 a.m.** through Video conferencing (VC) Or Other Audio Visual Means (OAVM) to transact the following Special businesses:

SPECIAL BUSINESS:

1. APPROVAL OF THE AMENDED SHAREHOLDERS’ AGREEMENT (SHA) DATED JULY 19, 2023 POST LISTING

To consider and, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to regulation 26(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Members be and is hereby accorded to the amended Shareholders’ agreement (SHA) dated 19th July, 2023 executed between The Federal Bank Limited, True North Fund VI LLP and the Company.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and are hereby severally authorized on behalf of the Company to do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution including filing of necessary forms with the Ministry of Corporate Affairs / the Registrar of Companies, Mumbai, Maharashtra”

2. ADOPTION OF THE ALTERED ARTICLES OF ASSOCIATION OF THE COMPANY POST LISTING

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

“**RESOLVED THAT** pursuant to the provisions of Section 14 of the Companies Act, 2013 and the rules made thereunder, as amended, the applicable provisions of the Securities Contracts (Regulation) Act, 1956, as amended, the Securities Contracts (Regulation) Rules, 1957, as amended, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and the listing requirements of the stock exchange(s) where the securities of the Company are listed and in accordance with the enabling provisions of the Articles of Association and subject to the applicable provisions of any other applicable law, approval of the members of the Company be and is hereby accorded for substitution of the existing set of Articles of Association of the Company with the new set of Articles of

Association of the Company and the same be approved and adopted as the new Articles of Association of the Company in total exclusion and substitution of the existing Articles of Association of the Company post equity listing of the Company.

RESOLVED FURTHER THAT the any one of the Directors or Company Secretary be and are hereby severally authorized on behalf of the Company to do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution including filing of necessary forms with the Ministry of Corporate Affairs / the Registrar of Companies, Mumbai, Maharashtra.

3. RATIFICATION OF THE EXISTING FEDBANK FINANCIAL SERVICES LIMITED – EMPLOYEES STOCK OPTION PLAN, 2018 AS AMENDED POST LISTING

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

"RESOLVED THAT pursuant to Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the provisions of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB) Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), the relevant provisions of the Memorandum and Articles of Association of the Company and further subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval of the Members of the Company be and is hereby accorded for ratification of the **'Fedbank Financial Services Limited- Employees Stock Option Plan , 2018' as amended ("ESOP, 2018")** as aligned with the provisions of the SEBI (SBEB) Regulations, which was originally approved by the Members of the Company vide Special Resolution dated July 21, 2023 prior to initial public offer ("IPO") of equity shares ("Shares") of face value of Rs. 10/- (Rupees Ten) each fully paid-up of the Company, which confers authority to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination & Remuneration Committee, which the Board has constituted to exercise its powers, including the powers conferred by this resolution and SEBI (SBEB) Regulations) to create, and grant from time to time, in one or more tranches, not exceeding **12,02,680 (twelve lakhs two thousand six hundred eighty only)** employee stock options ('Options') to or for the benefit of such person(s) who are employees(s) of the Company including any director, whether a whole-time or otherwise, within the meaning of the ESOP, 2018, exercisable into not more than **12,02,680 (twelve lakhs two thousand six hundred eighty only)** Shares of face value of Rs.10/- (Rupees Ten) each fully paid-up, where one employee stock option would convert in to one Share upon exercise, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of the Scheme.

RESOLVED FURTHER THAT the Shares so allotted as mentioned hereinbefore shall rank pari passu with the then existing Shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action (s) such as rights issues, bonus issues, merger and sale of division and others, if any additional Shares that are issued by the Company for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of options/Shares shall be deemed to increase to the extent of such additional Shares issued.

RESOLVED FURTHER THAT in case the Shares of the Company are split-up or consolidated, then the number of Shares to be transferred and the exercise price payable by the option grantees under the Plan shall automatically stand reduced or augmented, as the case may be in the same proportion as the present face value of Rs.10/- per Share bears to the revised face value of the Shares of the Company after such split-up or consolidation, without affecting any other rights or obligations of the said grantees.

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

RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to modify, change, vary, alter, or amend the Plan without the prior approval of Members unless otherwise stated in the SEBI (SBEB) Regulations or suspend or terminate the Plan, unless such variation, amendment, modification or alteration is detrimental to the interest of the employees who have been granted stock options under the Plan and subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things it may deem fit, at its absolute discretion in conformity with the provisions of the Companies Act, 2013, SEBI (SBEB) Regulations, the Memorandum and Articles of Association of the Company and any other applicable laws in force.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary be and are hereby severally authorized on behalf of the Company to do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution including filing of necessary forms with the Ministry of Corporate Affairs / the Registrar of Companies, Mumbai, Maharashtra".

**By Order of the Board of Directors
For Fedbank Financial Services Limited**

Sd/-

**Rajaraman Sundaresan
Company Secretary & Compliance Officer
Mem. no. F3514**

Place: Mumbai

Date: January 24, 2024

NOTES:

1. The Ministry of Corporate Affairs (“MCA”) has vide its General Circular No.09/2023 read with General Circular no. 11/2022 dated December 28, 2022 read with General Circular No. 2/2022 dated May 5, 2022 read with Circular No. 20 dated May 5, 2020 read with Circular No. 14 dated April 8, 2020 and Circular No. 17 dated April 13, 2020 and read with General Circular No. 02/2021 dated 13.01.2021 (hereinafter collectively referred to as “MCA Circulars”) and SEBI Circular No. SEBI/HO/CFD-PoD-2/P/CIR/2023/167 Dated October 07, 2023 read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 read with SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 permitted the holding of General Meetings through VC or OAVM without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Extra Ordinary General Meeting of the Members of the Company is being held through VC/OAVM, which does not require physical presence of members.
2. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 (“the Act”), in respect of the Special Businesses under Item nos. 1 to 3 set above and the relevant details, are annexed to this Notice.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM. However, the Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are entitled to appoint authorized representatives to attend the EGM through VC/OAVM and participate thereat and cast their votes through e-voting as per point 1 of the General Guidelines of Shareholders mentioned in this notice.
4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (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 venue voting on the date of the EGM will be provided by NSDL.
5. The Members can join the EGM in the VC/OAVM mode 15 (fifteen) minutes prior to the scheduled time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time by following the procedure mentioned in the Notice. The facility of participation at the EGM through VC/OAVM will be made available for 1000 members on first come first served basis. 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 on account of first come first served basis.
6. The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. In case of joint holders, the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote at the meeting.

8. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Registrar & Share Transfer Agent of the Company.
9. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic/ demat form, the members may please contact their respective depository participant.
10. Members are requested to:
 - a) Intimate to the Company/ Registrar and Share Transfer Agent, M/s Link Intime India Private Limited (for shares held in physical form) and to their Depository Participants (DP) (for shares held in dematerialized form) the changes /update, if any, in their registered email id, address, other details etc. at an early date;
 - b) Quote ledger folio numbers / DP Identity and Client Identity Numbers in all their correspondences;
 - c) Approach the Company for consolidation of folios, if shareholdings are under multiple folios;
 - d) Members desirous of obtaining any information concerning the resolution are requested to address their questions to the Company at secretarial@fedfina.com at least 10 days before the date of the Meeting, to enable the information required to be made available, to the best extent possible.
11. The Company has appointed Mr. Dinesh Kumar Deora, (CoP No. 4119), Practising Company Secretary or failing him Mr. Tribhuwneshwar Kaushik, (CoP No. 16207), partners of DM & Associates Company Secretaries LLP as the scrutinizer (the 'Scrutinizer') for scrutinizing the remote e-voting process as well as e-voting at the EGM in a fair and transparent manner.
12. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
13. Since the EGM is being held through VC/ OAVM facility, the route map is not annexed in this notice.
14. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM has been uploaded on the website of the Company at www.fedfina.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
15. All documents referred to in the notice and in the accompanying explanatory statement are open for inspection at the registered office of the Company. The statutory registers which should be kept open for inspection of members under the Companies Act, 2013 are available for such inspection by the Members at the Extraordinary General Meeting (EGM).

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, February 19, 2024 at 9.00 A.M. and ends on Wednesday, February 21, 2024 at 5.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, February 15, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity

share capital of the Company as on the cut-off date, being Thursday, February 15, 2024.

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

Login method for e-Voting and joining virtual meeting 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.	<ol style="list-style-type: none"> 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 or joining virtual meeting & voting during the meeting. 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 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 or joining virtual meeting & voting during the meeting.

	<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; align-items: center;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 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. 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 or joining virtual meeting & voting during the meeting. 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. 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. 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</p>	<p>1. 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 Depository 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 or joining virtual meeting and voting during the meeting.</p>
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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 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting 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?

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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
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 eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices 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 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) 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'?
 - (i) 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'.
 - (ii) 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:
 - a) 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.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) 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.
 - d) 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.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting 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 and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
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 dmassociatesllp@gmail.com with a copy marked to evoting@nsdl.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 on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.com

Process for those shareholders who wish to update their email ids or 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 resolutions set out in this 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), AADHAR (self-attested scanned copy of Aadhar Card) by email to secretarial@fedfina.com
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), AADHAR (self-attested scanned copy of Aadhar Card) to secretarial@fedfina.com. If you are an Individual shareholders 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 and joining virtual meeting 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.
4. 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the EGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against 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 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 in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop 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.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least seven days prior to the meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial@fedfina.com The shareholders who do not wish to speak during the EGM but have queries may send their queries at least seven days prior to the meeting mentioning their name, demat account number/folio number, email id, mobile no at secretarial@fedfina.com. These queries shall be replied by the Company suitably by email. Those shareholders who have pre-registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of the time for the EGM.

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

The Following Statements set out all material facts relating to the Special Businesses mentioned in the Accompanying Notice:

Item no. 1

The Company had prior to the Initial Public Offer (IPO) entered and amended the Shareholders' agreement (SHA) dated 19th July, 2023 with The Federal Bank Limited and True North Fund VI LLP

Pursuant to clause 2.1 of the Amended SHA dated 19th July, 2023, the Parties had mutually agreed that upon consummation of the IPO, the SHA shall stand automatically terminated without any Party being required to take any further action or furnish any notice under the SHA or hereunder, and without prejudice to any existing or accrued rights or liabilities of any Party under the SHA as of the date of such termination. Upon consummation of the IPO, means upon commencement of trading of equity shares of the company after listing.

Therefore, upon termination of the amended Shareholders' agreement dated 19th July, 2023, the following clauses would survive pursuant to clause 17.4 of the said agreement:

- the provisions of Clause 1 (*Definitions and Interpretation*), **Clause 3.2 (Board of Directors – Size and Composition of the Board and Appointment of Directors), Clause 3.9(b) (Board of Directors – Chairperson), Clause 12 (Upside Sharing)**, Clause 19 (*Notices*), Clause 20 (*Dispute Resolution*), Clause 21 (*Governing Law and Jurisdiction*), Clause 23 (*Miscellaneous*)

The clauses 3.2 (Board of Directors – Size and Composition of the Board and Appointment of Directors) and Clause 3.9(b) (Board of Directors – Chairperson) are reinstated in the altered Articles of Association of the Company which is subject to the adoption of the Shareholders in this extraordinary general meeting as per the SEBI LODR regulations.

The clause 12 which pertains to inter-se upside sharing arrangement between the Promoter and the Investor shall (i) be subject to compliance with applicable laws/ regulations including the requirement to obtain shareholders' approval under Regulation 26(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and (ii) shall continue till such time as the Investor holds any Subscription Shares and to that extent survive the termination of this Agreement.

Pursuant to regulation 26(6) of the SEBI LODR regulations, if the Promoter of a listed entity entered into any agreement with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of such listed entity, prior approval for the same shall be obtained from the Board of Directors as well as public shareholders by way of an ordinary resolution.

The regulation also provides that if the subsisting agreement, if any, entered during the preceding three years from the date of coming into force of this sub-regulation shall be placed for approval before the Board of Directors in the forthcoming Board meeting.

The regulation also provides that if the Board of Directors approve such agreement, the same shall be placed before the public shareholders for approval by way of an ordinary resolution in the forthcoming general meeting

Clause 12 which provides Upside sharing of the amended shareholders' agreement dated July 19, 2023 and survives upon such termination falls under the purview of the regulation 26(6) of the SEBI LODR as mentioned above.

Clause 12 is reproduced as under:

"If pursuant to the sale of all the Subscription Shares the Investor realizes a return on the Subscription Price in excess of the Upside Threshold (Upside Threshold means the higher of (a) 25% IRR on the Subscription Price, and (b) 3 times the Subscription Price.), then the Investor will share 20% of the Upside with the Promoter in cash, within 15 days from the receipt of consideration by the Investor pursuant to the sale of Subscription Shares. Provided that if the return realized by the Investor after sharing such Upside would be less than the Upside Threshold, then the Investor shall share such lower percentage of the Upside with the Promoter that, after such sharing, will enable the Investor to realize a return that is equal to the Upside Threshold."

Based on the approval of the Board of Directors vide circular resolution dated January 24, 2024, it is proposed to place the amended Shareholders' agreement dated 19th July, 2023 before the Shareholders pursuant to regulation 26(6) of the SEBI LODR regulations.

None of the Directors of the Company except Mr. Shyam Srinivasan, Non-executive Director, Mr. Ashutosh Khajuria, Nominee Director and Mr. Maninder Singh Juneja, Nominee Director and the KMPs of the Company are concerned or interested whether financially or otherwise in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 1 of the Notice for approval by the Members.

Item No. 2

To ensure compliance with the Companies Act, 2013, and its associated rules, as well as the amended SEBI regulations, and to align with the post-listing requirements stipulated by relevant stock exchanges for the equity shares of the Company, there is a proposal to alter the existing Articles of Association. The objective is to bring the Articles of Association in line with the statutory framework and regulatory guidelines applicable to public listed companies, including the Companies Act, 2013 post listing.

Based on the approval of the Board of Directors vide circular resolution dated January 24, 2024, it is proposed to adopt a revised set of Articles of Association. These altered articles will adhere to the specific requirements and directions outlined by the stock exchanges for listed entities

Copy of the existing Articles of Association and the proposed altered Articles of Association will be made available for inspection at the Registered & Corporate office of the Company during the working hours of the Company on any working day (Monday to Friday) up to the date of the extra-ordinary general meeting either physically or through electronic mode, basis the request being sent on secretarial@fedfina.com.

1. The key clauses of the Articles proposed to be re- inserted to the existing Articles of Association pursuant to the regulatory requirements post equity listing are as follows:

(a) Clause 82 or 83 - Composition of the Board and Appointment of Directors

- Subject to applicable Laws:
 - (i) So long True North holds at least 5% (five percent) of the Shares ("**True North Director Threshold**") on a fully diluted basis, it shall be entitled to nominate 1 (one) non-executive Director on the Board ("**True North Nominee Director**"),

and such True North Nominee Director shall, subject to applicable law, not be liable to retire by rotation, for so long as True North continues to meet or exceed the True North Director Threshold to nominate a Director on the Board;

(ii) So long the Promoter holds (a) at least 10% (ten percent) of the Shares on a fully diluted basis, it shall be entitled to nominate 2 (Two) non-executive Directors on the Board; or (b) at least 5% (five percent) and less than 10% (ten percent) of the Shares on a fully diluted basis, it shall be entitled to nominate 1 (one) non-executive Director on the Board, ("**Promoter Director(s) Threshold**") ("**Promoter Nominee Director(s)**"), and such Promoter Nominee Director(s) shall, subject to applicable law, not be liable to retire by rotation, for so long as the Promoter continues to meet or exceed the Promoter Director Threshold to nominate Director(s) on the Board.

- Each Shareholder may remove a Director nominated by it by a written notice issued to the Company and the other Shareholder;
- In the event of retirement of a nominee Director by rotation or vacancy otherwise, in accordance with Applicable Law, the Shareholder concerned will have the right to re-appoint such Director as its nominee Director or fill such vacancy caused, as the case may be, subject to Applicable Law.

(b) Clause 78 - Chairperson

- Any existing / former Director of Promoter or any other individual as decided by the Board of Directors of Promoter shall be the Chairperson of the Company for such period as may be specified by the Board of the Promoter. In the absence of the Chairperson, the Directors present may elect one of their members to be the Chairperson of the meeting of the Board.

(c) Clauses 72, 73 and 74 - Inspection by Members

- The (i) book containing the minutes of proceedings of general meetings, (ii) register of charges, (iii) register of investments, and (iv) register of members, shall be kept at the registered office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.
- In the event such shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.
- No shareholder shall be entitled to visit or inspect the Company's work without permission of the Directors or to require discovery of any information respectively, any details of Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the Shareholders of the Company to communicate to the public.

Pursuant to the provisions of Section 14 of the Companies Act, 2013, as applicable, any amendment in the Articles of Association requires approval of the members of the Company by way of a special resolution.

None of the Directors or key managerial personnel of the Company or the relatives of the aforementioned persons are concerned or interested, financially or otherwise in the said resolution.

The Board recommends the Special Resolution set out at Item No. 2 of the Notice for approval by the Members.

Item no. 3

The **Fedbank Financial Services Limited – Employees Stock Option Plan, 2018 (“ESOP, 2018”)** was established with effect from 13th November, 2018 and shall continue to be in force until it is terminated by the Nomination and Remuneration Committee (NRC) in accordance with the Applicable Law. The ESOP, 2018 was last amended after the recommendation of the NRC and approval of the Board of Directors and approval of the shareholders by special resolution in the Extraordinary General Meeting (EGM) held on 21st July, 2023 with a view to align with the provisions of the SEBI SBEB & SE Regulations owing to proposed initial public offer of Shares. Such amendments had effect from the date of approval by the shareholders of the Company in the EGM and shall apply to all existing and future Options Grantees.

The objective of the ESOP, 2018 is to reward Employees (as defined below) for their performance as well as to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this ESOP, 2018 to attract and retain talent in the organization. The Company views employee stock options as instruments that would enable the Employees to share the value, they create for the Company in the years to come.

In the meantime, the Company completed its IPO with listing of its Shares on November 30, 2023 on the BSE Limited and National Stock Exchange of India Limited. The Company has granted 1,49,27,601 Options under the pre- IPO Plan so far. In terms of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI(SBEB) Regulations”), any fresh grant of Options post listing can be made under the Plan only in compliance with the SEBI (SBEB) Regulations and post ratification of plan by the Members of the Company.

Accordingly, the Plan is placed before the Members for ratification in terms of the aforesaid SEBI (SBEB) Regulations after which the Company would be able to grant Options and issue Shares under the Plan. The aforesaid proposals are not detrimental to the interests of any existing option grantees/employees.

The said proposal of ratification of the Plan was recommended by the Nomination and Remuneration Committee (“Committee”) and approved by the Board of Directors (“Board”) of the Company at their respective meetings held on January 15, 2024.

Features of the Plan remain the same as originally approved and are reproduced again in terms of SEBI (SBEB) Regulations as under:

a) Brief description of the Plan:

The Plan provides for grant of employee stock options (“Options”) to the permanent employees who are exclusively working in India or outside India including 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 of the Company and that of its group Company including subsidiary Company and/or associate Company (collectively referred

to as "employees") of the Company, as may be permissible under the Companies Act and the SEBI (SBEB) & Listing Regulations.

Upon vesting of Options, the eligible employees earn a right (but not obligation) to exercise the vested Options within the exercise period and obtain equity shares of the Company which shall be allotted by the Company subject to receipt of exercise price and satisfaction of any tax obligation arising thereon.

The Nomination and Remuneration Committee (NRC) shall decide the number and timing of Options to be granted to the Employees, individually and in aggregate, from time to time. Each such Option shall confer a right upon the Employee to apply for 1 (one) Share of the Company, in accordance with the terms and conditions of this ESOS, 2018 and the Grant Letter. Further, the NRC shall have the right to issue different classes of Options, and determine the terms of each such class of Options in accordance with this ESOS, 2018. All questions of interpretation of the Plan shall be determined by the Committee as per terms of the Plan and applicable laws

b) Total number of Options to be granted:

A total of **12,02,680 (twelve lakhs two thousand six hundred eighty only)** Options would be available for being granted to the eligible employees of the Company under the Plan. Each Option when exercised would be converted into one equity share of face value of Rs.10/- (Ten) each fully paid-up.

If an Option expires or becomes un-exercisable due to any reason, it shall become available for future Grants, subject to compliance with all Applicable Laws and terms hereof

c) Identification of classes of employees entitled to participate in the Plan

Employee means:

- (i) an employee as designated by the Company, who is exclusively working in India or outside India; or
- (ii) 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
- (iii) an employee as defined in sub clause (i) or (ii), of a Group company of the Company including its subsidiary or its Associate Company, in India or outside India, or of its Holding Company,

but does not include-

- (a) an employee who is a Promoter or a person belonging to the Promoter Group; or
- (b) a Director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

d) Eligibility of the employees to employee stock options:

The Options shall be granted to the employees as per eligibility criteria determined by the NRC as it deems fit, from time to time. The specific Employees or class of Employees to whom the Options would be granted based on the satisfaction of criteria by such Employee would be determined by the NRC.

e) Requirements of vesting and period of vesting

Options granted under ESOS, 2018 shall vest not earlier than the minimum Vesting period of 1 (one year) and not later than the maximum vesting period of 4 years from the date of Grant and the options shall vest in equal proportion over each year of the vesting period. It is hereby clarified that a minimum vesting period of 1 (one) year shall not apply in case of Death or Permanent Disability.

f) The maximum period within which the Options shall be vested

The Options granted shall vest in not more than 4 (four) years from the date of grant of such Options.

g) The exercise price or pricing formula

The exercise price per Option shall be determined by the NRC which in any case shall not be less than the face value of the share of the Company as on the date of grant

h) The exercise period and the process of exercise

i) The options that have vested prior to the date of listing may be exercised within 3 (three) years from the date of listing while in employment

(ii) The options that have vested after the date of listing may be exercised within 3 (three) years from the date of vesting of the options while in employment

However, in case of death and permanent incapacity while in employment or service, the exercise period shall be up to a maximum of exercise period of 12 months commencing from the date of death or permanent incapacity, as the case may be.

The exercise conditions for other categories are as mentioned in the Scheme

The Options will be exercised by the employees by a written application to the designated officer of the Company in such manner and on execution of such documents, as may be prescribed in this regard from time to time.

The Option will lapse if not exercised within the specified exercise period.

i) Lock-in period

The shares arising out of exercise of vested Options would not be subject to any lock-in period after such exercise except such restrictions as prescribed under the applicable laws specifically in connection with or after listing of Company's shares.

j) Whether the Plan is to be implemented and administered directly by the Company or through a trust:

The Plan shall be implemented and administered directly by the Company. However, the Company may seek shareholders' approval in case of change of route of implementation is thought expedient in future.

k) The conditions under which Options vested in employees may lapse

The vested Options shall lapse in case of termination of employment due to misconduct or due to breach of Company policies or the terms of employment. Further, irrespective of employment status, in case vested Options are not exercised within the prescribed exercise period, then such vested Options shall lapse.

l) The specified time period within which the employee shall exercise the vested Options in the event of a proposed termination of employment or resignation or retirement of employee

i) In case of resignation / termination without misconduct all vested Options can be exercised by the employee on the last working day or within three (3) months from the last working day of such Employee with the Company.

ii) In case of retirement of an employee, all vested Options as on the date of retirement can be exercised by the Option grantee within 6 (Six) months from the date of such retirement. Options that Vest after Retirement can be Exercised by the Option Grantee immediately on Vesting but in no event later than 6 (Six) months from the date of Vesting of the respective Options.

iii) In case of termination due to misconduct all the Vested Options, which were not exercised at the time of such termination, shall stand cancelled with effect from the date of such termination.

m) The appraisal process for determining the eligibility of employees for the scheme(s);

The Options shall be granted to the employees as per eligibility criteria determined by the NRC as it deems fit, from time to time, which may include attributes like past performance, achievement of key performance indicators, future potential, etc.

n) Maximum number of options to be offered and issued per employee and in aggregate, if any;

Number of Options that may be granted to the present and / or future permanent employees of the Company under the Plan shall be out of the ESOP pool of 6% of the total paid up share capital of the Company at the time of grant of Option

o) Maximum quantum of benefits to be provided per employee under a plan;

Apart from grant of Options as stated above, no monetary benefits are contemplated under the Plan

p) Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both;

The Plan contemplates new issue of shares by the Company

q) The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.;

This is currently not contemplated under the Plan

r) Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);

This is not relevant under the Plan as the Plan contemplates to use fresh shares to be issued by the Company

s) The method which the company shall use to value its options;

To calculate the employee compensation cost, the Company shall use the fair value method for valuation of the Options granted as prescribed under Ind-AS 102 or under any relevant accounting standard as notified by appropriate authorities from time to time

t) Terms & conditions for buyback, if any, of specified securities covered under these regulations;

Subject to the provisions of the then prevailing applicable laws, the NRC shall determine the procedure for buy-back of Options granted under the Plan if to be undertaken at any time by the Company and the applicable terms and conditions thereof.

u) Disclosure and Accounting Policies;

The Company shall comply with the disclosure requirements and specifically as per Part G of Schedule I of the SEBI SBEB & SE Regulations and the accounting policies prescribed as per the Accounting Standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 including "Guidance Note on Accounting for Employee Share-Based Payments" issued by the Institute of Chartered Accountants of India (ICAI) or any modifications or re-enactments thereof.

v) Declaration;

In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.

As the Plan provides for issue of shares to be offered to persons other than existing Shareholders of the Company, approval of the Shareholders is being sought pursuant to Section 62(1)(b) of the Companies Act, 2013, read with Regulations 12(1) of the SEBI (SBEB) Regulations

In view of the above, approval of Members is sought by way of a Special Resolution for Item No. 3 of the accompanying Notice, for ratifying the existing ESOP, 2018 and authorizing the Board to do all such acts, matters, deeds and things and to take all steps and do all things and give such directions as may be required, necessary, expedient, incidental or desirable for giving effect to the implementation of the amended ESOP, 2018.

A draft of the ESOP, 2018 being ratified shall be available for inspection at the Registered & Corporate office of the Company during the working hours of the Company on any working day (Monday to Friday) up to the date of the extra-ordinary general meeting either physically or through electronic mode, basis the request being sent on secretarial@fedfina.com.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested whether financially or otherwise, in this resolution, except to the extent of the options that may be granted to them under the ESOP, 2018.



The Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the Members.

**By Order of the Board of Directors
For Fedbank Financial Services Limited**

Sd/-

**Rajaraman Sundaresan
Company Secretary & Compliance Officer
Mem. no. F3514**

**Place : Mumbai
Date : January 24, 2024**