DhanlaxmiBank
established 1927

SH: 94 / 2024-25

August 13, 2024

The General Manager Department of Corporate Services **BSE Limited** I Floor, New Trading Ring Rotunda Building, P J Towers Dalal Street Fort, Mumbai – 400 001	The Manager, Listing Department, **National Stock Exchange of India Limited** 'Exchange Plaza', Bandra - Kurla Complex Bandra (E), Mumbai – 400 051

Dear Sir,

Sub: Notice of Postal Ballot – Disclosure under Regulation 30 of SEBI (LODR) Regulations, 2015

Pursuant to the above, please find enclosed herewith the Notice of Postal Ballot dated August 12, 2024 seeking the approval of the Members of the Bank (through e- voting) for the appointment of Mr. Ajith Kumar K.K as Managing Director and CEO of the Bank.

The Notice is being sent to all the Members of the Bank whose names appear on the Register of Members/ List of Beneficial owners as on August 09, 2024 (cut-off date)

The Notice is also being made available on the website of the Bank www.dhanbank.com.

Please take the same on record.

Thanking you,

Yours faithfully,

Venkatesh H

Digitally signed by Venkatesh H
Date: 2024.08.13 13:31:30 +05'30'

Venkatesh.H
Company Secretary & Secretary to the Board

Corporate Office : Dhanlaxmi Bank Limited, Corporate Office, Punkunnam, Thrissur, Kerala-680 002. Ph: 0487 7107100, 2226100
Registered Office : Dhanlaxmi Bank Limited, Dhanalakshmi Building, Naickanal, Thrissur, Kerala-680 001. Ph: 0487 2999711, Fax: 0487 2335367, Corporate Identity No.L65191KL1927PLC000307
Customer care e-mail id: customercare@dhanbank.co.in Customer Care No. 044-42413000
www.dhanbank.com

DHANLAXMI BANK LIMITED
CIN: L65191KL1927PLC000307
Regd. Off: P.B No.9, Dhanalakshmi Buildings, Naickanal, Thrissur, Kerala-680001
Ph: 0487-2999711; Fax: 0487-2335367
Corporate Office: Punkunnam, Thrissur, Kerala-680002; Ph: 0487-7107100
E-mail: investors@dhanbank.co.in; Website: www.dhanbank.com

NOTICE OF POSTAL BALLOT

E-VOTING COMMENCES ON	E-VOTING CONCLUDES ON
MONDAY, AUGUST 19, 2024 09.00 A.M (IST)	**TUESDAY, SEPTEMBER 17, 2024 05.00 P.M (IST)**

To
The Members,
Dhanlaxmi Bank Limited

NOTICE is hereby given that pursuant to the provisions of Section 108, 110 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, guidelines prescribed by the Ministry of Corporate Affairs (the "MCA"), Government of India, for holding general meetings / conducting postal ballot process through voting by electronic means ("remote e-voting") vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022, 11/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023 (collectively, the "MCA Circulars"), SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, SEBI circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 and any other relevant Acts, Rules, regulations, circulars and notifications (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), the resolution set out in this notice is proposed for approval of the members of Dhanlaxmi Bank Limited ("the Bank"), through postal ballot through electronic means (via remote e-voting) only:-

SPECIAL BUSINESS

ITEM NO.1: APPOINTMENT OF SHRI. AJITH KUMAR K.K (DIN: 08504660) AS MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER OF THE BANK AND TO APPROVE HIS TERMS AND CONDITIONS OF APPOINTMENT INCLUDING REMUNERATION

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

"RESOLVED THAT pursuant to the provisions of Sections 152, 196, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") and the relevant Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Section 10B, 35B and other applicable provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the rules, circulars and guidelines issued by the Reserve Bank of India ("the RBI") and the applicable Regulations under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Articles of Association of the Bank and the approval granted by the Reserve Bank of India vide letter CO.DOR.HGG.No.S.450/08.37.001/2024-25 dated April 18, 2024, and in respect of whom the Bank has received a notice in writing, proposing his candidature for the office of director of the Bank, the consent of the Members of the Bank be and is hereby accorded for the appointment of Shri. Ajith Kumar K.K (DIN: 08504660) as the Managing Director and Chief Executive Officer of the Bank and that he shall also be a Whole-time Key Managerial Person of the Bank, for a period of three years with effect from June 20, 2024 up to June 19, 2027 (both days inclusive) on such remuneration, terms and conditions, brief particulars whereof as recommended by the Board of Directors of the Bank as set out in the annexed Explanatory Statement to this Notice and he shall hold the Office of Director not liable to retirement by rotation during his tenure as Managing Director & CEO of the Bank ."

"RESOLVED FURTHER THAT the Board of Directors of the Bank be and is hereby authorized to accept any modification with respect to the terms and conditions of appointment including remuneration as may be suggested by the Reserve Bank of India from time to time, without seeking further approval of members of the Bank in this regard."

"RESOLVED FURTHER THAT the Board of Directors of the Bank be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and desirable for the purpose of giving effect to the above Resolution(s), including and without limitation, filing applications with the appropriate authorities for obtaining requisite approvals and filing of necessary forms / information with regulatory authorities and delegating all or any of the matters or functions to any Committee(s) of the Board or to any Director(s) or to any Authorized Officer(s) of the Bank as it may think fit."

Place: Thrissur
Date: August 12, 2024

For and on behalf of the Board,
Sd/-
Venkatesh. H
Company Secretary &
Secretary to the Board

NOTES

1. An explanatory statement pursuant to Sections 102 and 110 of the Companies Act, 2013 (the "Act"), setting out all material facts and rationale relating to the resolutions for Item No. 1 in this Notice is appended herein below for information and consideration of Members and the same should be considered as part of this Notice.

2. Brief profile and other requisite details about the appointment of director, remuneration and other terms of appointment pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, is annexed hereto and forms part of this notice.

3. Relevant documents referred to in this Notice shall be available for inspection electronically by the Members until 5:00 p.m. (IST) of the last date of remote e-voting of this Postal Ballot i.e. September 17, 2024. Members who wish to inspect the documents are requested to send an email to investors@dhanbank.co.in mentioning their name, folio no. / client ID and DP ID, and the documents they wish to inspect, with a self-attested copy of their PAN card attached to the email.

4. The Board of Directors of the Bank, at its meeting held on August 12, 2024, has appointed Mr. V. Suresh, Senior Partner, M/s. V. Suresh Associates, Practising Company Secretaries, First Floor, No.28, Ganapathy Colony, IIIrd Street, Teynampet, Chennai – 600018 (FCS 2969/ CP 6032) as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner and in accordance with law.

5. In accordance with the circulars issued by MCA and SEBI and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Bank is sending the Postal Ballot Notice in electronic form only, instead of dispatching hard copy of the Notice / Postal Ballot Form / pre-paid business reply envelope to the Members for this Postal Ballot. Accordingly, the communication of the assent or dissent of the Members would take place through remote e-voting only.

6. The Postal Ballot Notice is being sent only by e-mail to all Members whose names appear in the Register of Members / Register of Beneficial Owners maintained by the Depositories, National Securities Depository Limited (the "NSDL") and Central Depository Services (India) Limited (the "CDSL") as on **Friday, August 09, 2024 (the "Cut-Off Date")** and who have registered their e-mail addresses, in respect of electronic holdings, with the Depository through the concerned Depository Participants and in respect of physical holdings, with the Registrar and Share Transfer Agent of the Bank, M/s. KFin Technologies Limited ("the RTA"), in accordance with the provisions of the Act read with the rules made thereunder and the framework provided under the MCA circulars. Cut-Off Date is for determining the eligibility to vote by electronic means. A person who is not a Member as on the Cut-Off Date should treat this Notice for information purposes only. This Notice is also available at the Bank's website https://www.dhanbank.com and the websites of the Stock Exchanges i.e. BSE Limited at

www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of the RTA at https://evoting.kfintech.com.

7. In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations as amended from time to time, read with SEBI Master circular dated July 11, 2023 on remote e-voting facility provided by listed entities, and the applicable MCA circulars, the Bank is pleased to offer remote e-voting facility to Members to cast their vote electronically.

8. The Bank has engaged M/s. KFin Technologies Limited (hereinafter referred to as "KFin" or "Service Provider") for facilitating remote e-voting to enable the Members to cast their votes electronically for voting on the resolution set out in this Postal Ballot Notice.

9. After dispatch of the notice of postal ballot through e-mail, advertisement will be published in one English Daily and one in Malayalam newspaper, each having vide circulation in the district where the registered office of the Bank is situated and will also be hosted in the Bank's website https://www.dhanbank.com under Investor Relations>>>Postal Ballot>>> Postal Ballot Notice dated August 12, 2024.

10. To facilitate the Members who are eligible to vote as on Cut-Off Date and have not registered their e-mail address with the Bank, the Bank has made special arrangements with its RTA, for registration of e-mail addresses in accordance with the MCA circulars. For Members who have not registered their e-mail addresses, the process for registration of e-mail address is furnished below: -

Physical Holding	Send relevant documents to the RTA at M/s. KFin Technologies, Unit: Dhanlaxmi Bank, "Selenium Tower B", Plot No.31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032 Form ISR-1 is available on the Bank's website https://www.dhanbank.co.in in the section Investor Relations>>> Investor Service Request Forms.
Demat Holding	By contacting Depository Participant ("DP") and registering e-mail address and mobile number in demat account as per the process advised by the DP.

Those Members who have already registered their e-mail address are requested to keep their e-mail addresses validated with their DP / the Bank's RTA, to enable servicing of notices, documents, annual reports and other communications electronically to their e-mail address in future.

11. General Information for Members: -

(i) Members holding shares in physical form are requested to note that in terms of Regulation 40 of the SEBI Listing Regulations, as amended, the securities of listed companies can be transferred only in dematerialized form and transmission, or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form. In view of the above and to eliminate risks associated with physical transfer of securities, Members holding Equity Shares of the Bank in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the RTA of the Bank for assistance in this regard.

(ii) In compliance with SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 for Registrars to an Issue and Share Transfer Agents, Section V – Investor's Service Request, Para 19 on Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination, and read with SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, it shall be mandatory for all holders of physical securities in listed companies to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers. Therefore shareholders are requested to Mandatorily furnish **(a)PAN and KYC details, (b) Nomination** (Either Nomination through Form SH-13 or cancellation or variation in nomination through Form SH-14 as provided in the Rules 19 of Companies (Shares capital and debenture) Rules, 2014 or 'Declaration to Opt-out', as per Form ISR-3), **(c) Contact details:** Postal address with PIN, Mobile number, E-mail address **(d) Bank account details** (bank name and branch, bank account number, IFS code) **(e)Specimen signature.** The forms are made available in Bank's website https://www.dhanbank.co.in in the section Investor Relations>>> Investor Service Request Forms.

(iii) The formats for Nomination and updation of KYC details in accordance with the SEBI Circular are available on the website of the RTA (https://ris.kfintech.com/clientservices/isc/isrforms.aspx) and in Bank's website https://www.dhanbank.co.in in the section Investor Relations>>> Investor Service Request Forms.

(iv) SEBI vide its circular dated May 30, 2022 has prescribed Standard Operating Procedures for dispute resolution under the Stock Exchange arbitration mechanism for a dispute between a Listed Company and/or RTA and its Shareholders(s)/investor(s). The same is made available in the Bank's website https://www.dhanbank.co.in in the section Investor Relations>>> Investor Grievance / Complaints Redressal Mechanism along with the communication to investors under SEBI Circular No. SEBI/HO/OIAE/ 2023/03394 dated January 27, 2023.

12. The instructions for Members for remote e-voting are as under:

a) The remote **e-voting period commences on Monday, August 19, 2024 at 9:00 AM (IST) and ends on Tuesday, September 17, 2024 at 5:00 PM (IST).** During this period, the Members of the Bank, holding shares either in physical form or in dematerialized form, as on the Cut-Off Date, i.e, **Friday, August 09, 2024**, may cast their vote electronically. The remote e-voting module shall be disabled by the Service Provider for voting thereafter and voting shall not be allowed beyond the said date and time. Once the vote on the resolution is cast by the Member, he/she shall not be allowed to change his/her vote subsequently or cast the vote again. There will be one login for every Folio / Client ID irrespective of the number of joint holders. The voting rights of the Members shall be in proportion to their shares in the total paid-up equity share capital of the Bank as on the Cut-off date.

In case of the need for any technical assistance or any grievances connected with e-voting, Members may contact Mr. Vasantha Rao Chowdari, Manager, KFin Technologies Limited, "Selenium Tower B", Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad-500032; Phone:1800 3094 001 (tollfree). Members who have not received the e-mail of the aforesaid Notice after the cut-off date may also contact Mr. Vasantha Rao Chowdari, at the above-mentioned address / phone number for the e-mail of the Notice.

b) Pursuant to SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 and Regulation 44 of SEBI Listing Regulations, listed entities are required to provide remote e-voting facility to its Shareholders, in respect of all Shareholders' resolutions, and 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 remote e-voting facility. The instructions for remote e-voting are given below for the information of the Members: -

INSTRUCTIONS FOR REMOTE E-VOTING

A. Login method for e-Voting: Applicable only for Individual Members holding securities in Demat

As per the 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. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. The Login method for Individual Members holding securities in demat mode is given below:

NSDL	CDSL
1. **User already registered for IDeAS facility:** I. URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-	**1. Existing user who have opted for Easi / Easiest** I. URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with user id and password.

directed to e-Voting service provider website for casting the vote during the remote e-Voting period. 2. **User not registered for IDeAS e-Services** I. To register click on link : https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp II. Proceed with completing the required fields. 3. **By visiting the e-Voting website of NSDL** I. URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. Enter User ID (i.e., 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. V. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.	IV. Option will be made available to reach e-Voting page without any further authentication. V. Click on e-Voting service provider name to cast your vote. 2. **User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. 3. **By visiting the e-Voting website of CDSL** I. URL: www.cdslindia.com II. Provide demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress.

Individual Members (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. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website 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 above mentioned website.

Members facing any technical issue - NSDL	Members facing any technical issue - CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 2255 33/34.

B. Information and instructions for remote e-voting by (i) shareholders other than individual shareholders holding shares of the Bank in demat mode and (ii) all shareholders holding shares in physical mode

Members whose email IDs are registered with the Bank/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the process detailed below: -

i. Members shall use the following URL for remote e-voting: -

https://evoting.kfintech.com;

ii. Members to enter the login credentials (i.e., User ID & Password) mentioned in the email, Folio No. /DP ID & Client ID will be the USER ID. Please note that the password is an initial password.

iii. After entering the said details, please click on LOGIN.

iv. Members will reach the password change menu wherein they are required to mandatorily change the password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt the Members to change the password and update any contact details like mobile number, email address etc. on first login.

v. Members may also enter the secret question and answer of their choice to retrieve password in case they have forgotten it. It is strongly recommended not to share the password with any other person and take utmost care to keep the password confidential.

vi. Members will need to login again with the new credentials.

vii. On successful login, the system will prompt the Member to select the EVEN i.e., Dhanlaxmi Bank Limited.

viii. On the voting page, Members are requested to enter the number of shares held as on the said cut-off date under FOR/AGAINST or alternatively enter any number FOR and any number AGAINST and ensure that the total number of shares cast FOR/AGAINST, does not exceed their total shareholding, as on the said cut-off date. Members may also choose the option ABSTAIN.

ix. Members holding multiple folio(s)/demat account(s) shall follow the said voting process separately for each folio(s)/demat account(s).

x. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

xi. Members may cast their vote by selecting an appropriate option and click on SUBMIT. A confirmationbox will be displayed. Click OK to confirm else CANCEL to modify. Once a Member confirms his vote, he will not be allowed to modify his vote subsequently. During the voting period, Members canlogin any number of times till they have voted on the Resolution(s).

12. The Scrutinizer will submit the results of the remote e-voting to the Chairman of the Bank or the Authorized Officer(s) of the Bank after completion of the scrutiny of the e-voting. The result of the Postal Ballot along with the Scrutinizer's Report will be displayed on the Bank's website https://www.dhanbank.com, on the website of KFin at www.kfintech.com and shall be communicated to the Stock Exchanges where the Bank's shares are listed i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com, within two (2) working days from the end of the e-voting period.

13. Resolutions passed by the Members through Postal Ballot are deemed to have been passed as if the same were passed at a general meeting of the Members convened in that regard. The resolution(s), if approved by the requisite majority of Members by means of Postal Ballot, shall be deemed to have been passed on the last date of remote e-voting, i.e. Tuesday, September 17, 2024.

14. The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by allowing Companies to send documents to their members in electronic mode. To support this green initiative and to receive communications from the Bank in electronic mode, Members who have not registered their e-mail addresses and are holding shares in physical form are requested to contact the RTA of the Bank and register their e-mail address. Members holding shares in demat form are requested to contact their DPs. Members may please note that notices, annual reports, etc. will be available on the Bank's website at https://www.dhanbank.com. Members will be entitled to receive the said documents in physical form free of cost at any time upon request.

15. All correspondence relating to shares should be addressed to the Registrars and Transfer Agent of the Bank, viz: M/s. KFin Technologies, Unit: Dhanlaxmi Bank, "Selenium Tower B", Plot No.31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032; Tel : +91-40-67162222, Fax: 040-2300 1153, Toll Free No: 1800 3094001, E-mail: einward.ris@kfintech.com, Website: www.kfintech.com.

Statement of material facts as required under Section 102(1) of the Companies Act, 2013 annexed to and forming part of the Notice dated August 12, 2024

Item No.1

As recommended by the Nomination and Remuneration Committee of the Board and the Board of Directors of the Bank, the Reserve Bank of India had, vide its letter no. CO.DOR.HGG.No.S.450/08.37.001/2024-25 dated April 18, 2024, conveyed their approval for the appointment of Shri. Ajith Kumar K.K as Managing Director & CEO of the Bank for a period of three years with effect from the date of his taking charge of the Office. Further, after obtaining the approval of Reserve Bank of India, the Board of Directors appointed Shri. Ajith Kumar K.K as Managing Director & CEO of the Bank for a period of three years with effect from June 20, 2024. being the date of his taking charge of the Office, subject to the approval of the Members of the Bank.

Further as per Regulation 17 (1C) of SEBI (LODR) Regulations, 2015, the Bank shall ensure that approval of shareholders for the appointment is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

Shri. Ajith Kumar K.K (DIN: 08504660) is a seasoned banker with over 36 years of experience with the Federal Bank Limited, a leading private sector bank, in various facets of banking including Credit, Human Resources, Business, Branch Banking etc. He was the Chief Human Resources Officer at Federal Bank Limited in the cadre of President. He was also Non-Executive Director of Federal Operations & Services Limited, wholly-owned subsidiary of Federal Bank Limited, on account of his employment with Federal Bank. Shri Ajith Kumar K.K was awarded Gold award for the HR Leader of the year in the category of large scale organizations in the Economic Times Human Capital award. He is a graduate in Agriculture from Kerala Agricultural University (KAU) and holds an MBA from the Cochin University of Science and Technology (CUSAT). Shri. Ajith Kumar K.K took charge as the Managing Director & CEO of the Bank w.e.f June 20, 2024 on a remuneration and such other terms and conditions as set out in this Explanatory Statement under Section 102 (1) of the Companies Act, 2013 annexed to and forming part of the Notice of Postal Ballot dated August 12, 2024.

Shri. Ajith Kumar K.K meets the fit and proper criteria as prescribed by the Reserve Bank of India and is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Bank. In the opinion of the Board, he fulfils the conditions for the said appointment as prescribed under the relevant provisions of the Act and the relevant Rules made thereunder, the SEBI Listing Regulations, the Articles of Association of the Bank, the Banking Regulation, Act, 1949 and other guidelines issued by the Reserve Bank of India, from time to time. Shri. Ajith Kumar K.K has the requisite qualifications, skills, experience and expertise in various functional areas, which are beneficial to the Bank. He has affirmed that he is not de-barred from holding office of Director by virtue of any order of SEBI or any such other authority. The Bank has received a notice in writing from a Member proposing the candidature of Shri. Ajith Kumar K.K for the office of director of the Bank.

DETAILS OF REMUNERATION & PERQUISITES PAYABLE TO SHRI. AJITH KUMAR K.K AS MANAGING DIRECTOR & CEO FOR THE PERIOD 20.06.2024 TO 19.06.2027

Name of Whole Time Director and Role: Shri. Ajith Kumar K.K, MD & CEO	
Particulars	**Proposed Annual Compensation (Rs. In Lakhs)**
PART-A **FIXED PAY (including perquisites):**	
1. Salary	60.00
2. Dearness Allowance	-
3. Retiral/ Superannuation Benefits a) Provident Fund b) Gratuity c) Pension	-
4. Leave Fare Concession/ Allowance	-
5. Other Fixed Allowances (Consolidated allowance, if any, to be given with details of heads it subsumes)	-
6. Perquisites:	
i) Free Furnished House and its maintenance/ House Rent Allowance	6.00
ii) Conveyance allowance/ Free use of bank's car for a) Official purposes b) Private purposes	 - 3.00
iii) Driver's salary	3.00
iv) Club membership(s)	-
v) Reimbursement of medical expenses	0.50
vi) Any other perquisites	2.50
Total Fixed Pay (including perquisites)	**75.00**
PART-B **VARIABLE PAY**	As may be decided by the Board of Directors based on the recommendations of the Nomination & Remuneration Committee and subject to the approval of RBI and determined in accordance with the RBI Guidelines on

Name of Whole Time Director and Role: Shri. Ajith Kumar K.K, MD & CEO	
Particulars	**Proposed Annual Compensation (Rs. In Lakhs)**
	Compensation for Whole Time Directors/ Chief Executive Officers / Risk Takers and Control Function Staff, etc. issued by the RBI on November 4, 2019 ("RBI Guidelines") as amended from time to time and the Compensation Policy of the Bank framed in line with the aforesaid RBI Guidelines. As per the RBI guidelines, the total variable pay shall be limited to a maximum of 300% of the fixed pay. Further the variable pay, as per the RBI Guidelines, shall be inclusive of Cash as well as any Share-linked instruments.

- Conveyance allowance/ use of Bank's car for official purposes will be permitted on actuals which are not quantifiable in advance.
- Reimbursement of medical expenses represents premium for Medical Insurance for Rs. 9.00 Lakhs for the incumbent as well as for his dependents, as applicable to Officers of the Bank (complying with the eligibility guidelines of the Insurance Company).
- Any other Perquisites include House Keeping expenses at residence.
- Spreading of the fixed pay of Rs. 75 Lakhs under different heads can be decided by the incumbent in consultation with the Bank subject to prior approval from the RBI.
- There will be no separate retiral/ superannuation benefits such as Provident Fund, Gratuity and Pension as the appointment is for a fixed period of 3 years. However, if the candidate voluntarily opts for any of the retiral/ superannuation benefits, it will form part of the fixed pay of Rs. 75 Lakhs, subject to prior approval from the RBI.
- In addition to the above, the Managing Director & CEO of the bank will be eligible for the following while in service: -

- Bank's car (purchase price not exceeding Rs. 50 Lakhs {excluding taxes})
- Furniture & Fixtures at the residence at Thrissur (purchase price not exceeding Rs. 15 Lakhs {excluding taxes})
- Mobile Device/ I-Pad and Laptop (purchase price not exceeding Rs. 2.50 Lakhs {excluding taxes})

The above remuneration and terms are subject to such changes as may be stipulated by the Reserve Bank of India from time to time and in compliance to Reserve Bank of India guidelines, SEBI Regulations, Companies Act, 2013 and rules made thereunder as may be amended from time to time and the Board of Directors are authorized to accept such terms, conditions, stipulations, alterations, amendments or modifications, if any, stipulated by the Reserve Bank of India from time to time.

The information in respect of Shri. Ajith Kumar K.K pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2), is furnished below: -

Date of Birth and age	16.06.1963; 61
Qualifications	MBA, BSc (Agriculture), CAIIB
Brief Resume, Experience and Nature of expertise in specific functional areas	Shri Ajith Kumar K.K is a seasoned banker with over 36 years of experience with the Federal Bank Limited in various facets of banking including Credit, Human Resources, Business, Branch Banking etc. He was the Chief Human Resources Officer at Federal Bank Limited in the cadre of President. He was also the Director of Federal Operations & Services Limited, wholly-owned subsidiary of Federal Bank Limited, on account of his employment with Federal Bank. Shri Ajith Kumar K. K was awarded Gold award for the HR Leader of the year in the category of large scale organizations in the Economic Times Human Capital award. Shri Ajith Kumar K.K is a graduate in Agriculture from Kerala Agricultural University (KAU) and MBA from Cochin University of Science and Technology (CUSAT). With his expertise and qualifications, Shri. Ajith Kumar K.K will represent "Banking" and "Agriculture & Rural Economy", in accordance with Section 10A(2)(a) of the Banking Regulation Act, 1949, on the Board of the Bank.
Terms and conditions of appointment / re-appointment along with details of remuneration	Shri. Ajith Kumar K.K has been appointed as Managing Director & CEO of the Bank for a period of three years with effect from June 20, 2024 for a remuneration and such other terms and conditions as set out in the Explanatory Statement

	under Section 102 (1) of the Companies Act, 2013 annexed to and forming part of the Notice of Postal Ballot dated July 15, 2024. Shri. Ajith Kumar K.K shall also be a Whole-time Key Managerial Personnel (KMP), Material Risk Taker (MRT) and Principal Officer of the Bank.
Details of Remuneration last drawn	Not Applicable
Date of first appointment on Board	June 20, 2024
Shareholding in the Bank as on the date of this Notice	Nil
Relationship with other Directors, Manager and Key Managerial Personnel of the Bank	Nil
Number of Board Meetings attended during 2024-25	3 (only 3 Board Meetings were held from the date of his taking charge till the date of this Notice)
Chairman / Member of Committees of Board of Directors of the Bank as on the date of this Notice	<u>Chairperson</u> Redressal Committee on Willful Defaulters& Review Committee on Non-Cooperative Borrowers <u>Member</u> Credit & Business Committee of Board HRD Committee Large Value Fraud Monitoring Committee NPA Monitoring Committee Risk Management Committee Stakeholder’s Relationship Committee Corporate Social Responsibility Committee Customer Service Committee IT Strategy Committee Equity Issuance Committee
Directorship in other entities	Nil
Membership / Chairmanship of Committees of Boards of other listed companies as on the date of this Notice	Nil
Listed entities from which the person has resigned as director in the past three years	Nil

The Nomination and Remuneration Committee and Board of Directors recommends the resolution as set out in item No. 1 of the Notice for approval of the Members by way of a Special Resolution.

Save and except Shri. Ajith Kumar K.K, none of the Directors or Manager or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in passing the resolution as set out at Item No. 1 of the Notice.

Place: Thrissur
Date: August 12, 2024

For and on behalf of the Board,
Sd/-
Venkatesh. H
Company Secretary &
Secretary to the Board