



ESAF SMALL FINANCE BANK LTD.

CIN: U65990KL2016PLC045669

Registered Office: Building No. VII/83/8, ESAF Bhavan, Thrissur-Palakkad National Highway, Mannuthy, Thrissur, Kerala, India, PIN – 680 651

E-mail: investor.relations@esafbank.com **Ph. No.:** 0487 7123456

Website: www.esafbank.com

NOTICE FOR CONVENING THE 08TH ANNUAL GENERAL MEETING OF THE BANK

Notice is hereby given that the Eighth Annual General Meeting (“AGM”) of Shareholders of ESAF Small Finance Bank Ltd. (the “Bank”), will be held on **Wednesday, August 14, 2024 at 03.00 PM (IST)** through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”), to transact the following businesses.

ORDINARY BUSINESS

- 1. To receive, consider and adopt the Standalone Audited Financial Statements of the Bank for the Financial year ended March 31, 2024, together with the schedules and annexures thereto, reports of the Board of Director’s and the Auditor’s thereon.**

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

“**RESOLVED THAT** the Audited Financial Statements of the Bank for the Financial Year ended March 31, 2024 together with the schedules and annexures thereto and the reports of the Board of Directors and the Auditors thereon as circulated, be and are hereby received, considered and adopted.”

- 2. To re-appoint Shri. Ajayan Mangalath Gopalakrishnan Nair (DIN: 09782416), who retires by rotation this year, and being eligible, offered himself for re-appointment.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, Shri. Ajayan Mangalath Gopalakrishnan Nair (DIN: 09782416) Non-Executive Nominee Director, who

retires by rotation at this meeting, be and is hereby re-appointed as Non-Executive Nominee Director of the Bank who shall be liable to retire by rotation.”

- 3. To declare dividend on equity shares for the financial year 2023-24**

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

“**RESOLVED THAT** a dividend at the rate of ₹ **0.7** (₹ Seventy Paise only) per equity share of ₹10/- (Rupees Ten only), as recommended by the Board of Directors, be and is hereby declared for the Financial Year 2023-24 and that the same be paid out of the profits of the Bank for the Financial Year ended March 31, 2024, to all those members whose names appeared in the Register of Members/list of Beneficial Owners, as on the record date fixed for this purpose i.e. August 07 2024.”

SPECIAL BUSINESS

- 4. Re-appointment of Shri. Kadambelil Paul Thomas (DIN: 00199925) as the Managing Director and CEO of the Bank and approval of revision of remuneration**

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

“**RESOLVED THAT** pursuant to the provisions of Section 10B, 35B and other applicable provisions of the Banking Regulation Act, 1949 (including any statutory amendment(s) thereto, modification(s) or re-enactment(s) thereof, for the time being in force) and the rules, guidelines and circulars issued by the Reserve Bank of India (“RBI”) from time to time, Section 196, 203 and any other applicable provisions, if any, read along with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

and other applicable rules, if any (the "Rules"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), (including any statutory modification(s) or amendment(s) thereto or reenactment(s) thereof for the time being in force), and pursuant to the recommendation of the Nomination, Remuneration and Compensation Committee (the "Committee") and approval of the Board of Directors of the Bank (the "Board"), subject to the approval from the RBI, the consent of the Shareholders of the Bank, be and is hereby accorded for the re-appointment of Shri. Kadambelil Paul Thomas (DIN: 00199925) as Managing Director and Chief Executive Officer of the Bank for a period of Three (3) consecutive years with effect from October 01, 2024, on such terms and conditions as may be approved by the RBI, and who shall not be liable to retire by rotation as per the provisions of the Articles of Association of the Bank (the "Bank")."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable rules, if any (the "Rules"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), Section 35B and other applicable provisions of the Banking Regulation Act, 1949, (including any statutory amendment(s) thereto, modification(s) or re-enactment(s) thereof, for the time being in force), the guidelines issued by the Reserve Bank of India ("RBI") vide Circular No: RBI/ 2019-20/ 89 DOR.Appt.BC.No.23/ 29.67.001/ 2019-20 dated November 04, 2019 on 'Compensation of Whole-time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function staff ("RBI Circular"), and the rules, guidelines and circulars issued by the RBI, from time to time, the provisions of the Articles of Association of ESAF Small Finance Bank Limited (the "Bank") and pursuant to the recommendation of the Nomination, Remuneration and Compensation Committee (the "Committee") and approval of the Board of Directors of the Bank (the "Board"), subject to the approval of the Reserve Bank of India and the conditions as may be prescribed by RBI while granting such approval, the approval of the shareholders of the

Bank, be and is hereby accorded for the remuneration of Shri. Kadambelil Paul Thomas (DIN: 00199925), Managing Director and CEO of the Bank, as detailed below and in the explanatory statement, as may be approved by RBI, effective from April 01, 2024."

Sl. No.	Particulars	Remuneration per annum (Amount in lakhs)
Fixed Pay		
(A)	Salary and Allowances	
i.	Salary	224
ii.	Other Fixed Allowances	10
Total Salary & allowances		234
(B)	Retiral Benefits	
i.	Provident Fund	22.4
ii.	Gratuity	As per the general norms applicable for employees
Total Retiral Benefits		22.4
(C)	Perquisites	
i.	Other perquisites (includes Free Furnished House and its maintenance / HRA, Conveyance Allowance / Free use of bank's car for official and private purposes, Driver(s)' salary, Club Membership(s), Reimbursement of medical expenses, Medical Insurance Premium, Reimbursement of Entertainment Expenditure, Travelling and Halting Allowance etc.)	18.6
Total Fixed Pay		275
Variable Pay*		
i.	Cash Component	345
ii.	Non-Cash Component	NIL
Total Variable Pay		345
Total Pay		620

*Variable Pay shall be subject to deferral as per the RBI Circular.

"RESOLVED FURTHER THAT the proportion of payout of cash variable pay would be based on performance

rating as determined by the Board of Directors of the Bank or the Nomination, Remuneration and Compensation Committee of the Board, thereof and can vary from 0-100% of the target variable pay."

"RESOLVED FURTHER THAT if the Bank incurs a loss or has inadequate profits in any financial year closing on and after March 31, 2024, during the tenure of Shri. Kadambelil Paul Thomas as the Managing Director and CEO of the Bank, the Bank shall pay to them the remuneration by way of salary variable pay, and other allowances not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) or such other limits as may be prescribed by the Government from time to time as minimum remuneration."

"RESOLVED FURTHER THAT the Board of Directors of the Bank, be and is hereby authorized to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force)."

"RESOLVED FURTHER THAT the Board of Directors of the Bank or the Nomination, Remuneration and Compensation Committee of the Board, be and are hereby jointly and severally authorized to fix the actual amount of remuneration and to vary the same to the extent as permitted by the Reserve Bank of India and to execute all such agreements, documents, instruments and writings as deemed necessary, file requisite forms or applications with statutory / regulatory authorities, with the power to settle all questions, difficulties or doubts that may arise in this regard, as they may in their sole and absolute discretion deem fit and to do all such acts, deeds, matters and things as may be considered necessary and appropriate and to delegate all or any of its powers herein conferred to any Director(s) / Officer(s) of the Bank, to give effect to the above resolution."

5. Appointment of Shri. George Kalaparambil John (DIN:00694646) as a Whole-time Director, designated as Executive Director, of the Bank and approval of remuneration

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

"RESOLVED THAT pursuant to the provisions of Sections 152, 160, 196, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable rules, if any (the "Rules"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), (including any statutory modification(s) or amendment(s) thereto or reenactment(s) thereof for the time being in force), Section 10A, 35B and other applicable provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Rules, Circulars and Guidelines issued by Reserve Bank of India (the "RBI"), from time to time, and the provisions of the Articles of Association of ESAF Small Finance Bank Limited (the "Bank") and pursuant to the recommendation of the Nomination, Remuneration and Compensation Committee (the "Committee") and approval of the Board of Directors of the Bank (the "Board"), and in terms of the approval granted by the RBI under Section 35B of the Banking Regulation Act, 1949, Shri. George Kalaparambil John (DIN:00694646), who was appointed as an Additional Director (Whole-time Director designated as Executive Director) of the Bank, with effect from May 18, 2024 and in respect of whom the Bank has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as the Whole-time Director designated as Executive Director of the Bank for a period of Three (3) consecutive years with effect from May 18, 2024 on such terms and conditions as approved by the RBI and who shall not be liable to retire by rotation as per the provisions of the Articles of Association of the Bank."

"RESOLVED THAT pursuant to the provisions of Section 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable rules, if any (the "Rules"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), Section 35B and other applicable provisions of the

Banking Regulation Act, 1949, (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), the guidelines issued by the Reserve Bank of India vide Circular No: RBI/ 2019-20/ 89 DOR.Appt.BC.No.23/ 29.67.001/ 2019-20 dated November 04, 2019 on 'Compensation of Whole-time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function staff ("RBI Circular"), and the rules, guidelines and circulars issued by the Reserve Bank of India ("RBI"), from time to time, the provisions of the Articles of Association of ESAF Small Finance Bank Limited (the "Bank") and pursuant to the recommendation of the Nomination, Remuneration and Compensation Committee (the "Committee") and approval of the Board of Directors of the Bank (the "Board"), and in terms of the approval granted by the RBI under Section 35B of the Banking Regulation Act, 1949, the approval of the shareholders, be and is hereby accorded for remuneration of Shri. George Kalaparambil John (DIN: 00694646), Whole-time Director designated as Executive Director of the Bank, as detailed below and in the explanatory statement, effective from May 18, 2024."

Sl. No.	Particulars	Remuneration per annum (Amount in lakhs)
Fixed Pay		
(A)	Salary and Allowances	
iii.	Salary	50
iv.	Other Fixed Allowances	37.65
Total Salary & allowances		87.65
(B) Retiral Benefits		
iii.	Provident Fund	5
iv.	Gratuity	As per the general norms applicable for employees
Total Retiral Benefits		5

Sl. No.	Particulars	Remuneration per annum (Amount in lakhs)
(C)	Perquisites	
ii.	Other perquisites (includes Free Furnished House and its maintenance / HRA, Conveyance Allowance/ Free use of bank's car for official and private purposes, Driver(s) salary, Club Membership(s), Medical Insurance Premium, Reimbursement of Entertainment Expenditure, Travelling and Halting Allowance etc.)	15.35
Total Fixed Pay		108
Variable Pay*		
iii.	Cash Component	60
iv.	Non-Cash Component	72
Total Variable Pay		132
Total Pay		240

*Variable Pay shall be subject to deferral as per the RBI Circular.

"RESOLVED FURTHER THAT the proportion of payout of cash variable pay would be based on performance rating as determined by the Board of Directors of the Bank or the Nomination, Remuneration and Compensation Committee of the Board, thereof and can vary from 0-100% of the target variable pay."

"RESOLVED FURTHER THAT if the Bank incurs a loss or has inadequate profits in any financial year closing on and after March 31, 2024, during the tenure of Shri. George Kalaparambil John as Whole-time Director, designated as Executive Director of the Bank, the Bank shall pay to them the remuneration by way of salary variable pay, and other allowances not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 (including

any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) or such other limits as may be prescribed by the Government from time to time as minimum remuneration.”

“RESOLVED FURTHER THAT the Board of Directors of the Bank, be and is hereby authorized to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force).”

“RESOLVED FURTHER THAT the Board of Directors of the Bank or the Nomination, Remuneration and Compensation Committee of the Board, be and are hereby jointly and severally authorized to fix the actual amount of remuneration and to vary the same to the extent as permitted by the Reserve Bank of India and to execute all such agreements, documents, instruments and writings as deemed necessary, file requisite forms or applications with statutory / regulatory authorities, with the power to settle all questions, difficulties or doubts that may arise in this regard, as they may in their sole and absolute discretion deem fit and to do all such acts, deeds, matters and things as may be considered necessary and appropriate and to delegate all or any of its powers herein conferred to any Director(s) / Officer(s) of the Bank, to give effect to the above resolution.”

6. Re-appointment of Dr. Vinod Vijayalekshmi Vasudevan (DIN: 02503201) as Non-Executive Independent Director of the Bank.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 160, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable rules, if any (the “Rules”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), Section 10A and other applicable provisions of the Banking Regulation Act, 1949 (including any statutory amendment(s) thereto, modification(s) or

re-enactment(s) thereof, for the time being in force) and the rules, guidelines and circulars issued by the Reserve Bank of India (“RBI”), from time to time and such other provisions as may be applicable, including relevant circular, notification, guidelines issued in this regard and any other applicable laws (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the recommendation of the Nomination Remuneration and Compensation Committee (the “Committee”) and approval of the Board of Directors of the Bank (the “Board”), Dr. Vinod Vijayalekshmi Vasudevan, holding DIN: 02503201, who has submitted consent to act as a Director of the Bank in Form DIR-2, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, who has submitted declaration that he meets the fit and proper criteria laid down by the Reserve Bank of India and in respect of whom the Bank has received a notice in writing under Section 160(1) of the Act from a member, signifying his intention to propose Dr. Vinod Vijayalekshmi Vasudevan’s candidature for the office of Director and who is eligible for re-appointment, be and is hereby re-appointed as a Non-Executive Independent Director of the Bank to hold office for a term up to **Three (3)** consecutive years with effect from **December 22, 2024** and who shall not be liable to retire by rotation.”

“RESOLVED FURTHER THAT the Board of Directors of the Bank or the Nomination, Remuneration and Compensation Committee of the Board, be and are hereby jointly and severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, file requisite forms or applications with statutory / regulatory authorities, with the power to settle all questions, difficulties or doubts that may arise in this regard, as they may in their sole and absolute discretion deem fit and to do all such acts, deeds, matters and things as may be considered necessary and appropriate and to delegate all or any of its powers herein conferred to any Director(s) / Officer(s) of the Bank, to give effect to the above Resolution.”

7. To borrow in excess of the paid-up share capital and free reserves and securities premium of the Bank under Section 180(1)(c) of the Companies Act, 2013

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

“RESOLVED THAT in supersession of the earlier resolution passed by the members at their meeting held on February 16, 2022 and pursuant to the provisions of Sections 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), the relevant provisions of Memorandum and Articles of Association of the Bank, consent of the shareholders of the Bank, be and is hereby accorded, to the Board of Directors of the Bank (the “Board”) (herewith referred to as the Board which expression shall also include a Committee thereof), for borrowing, from time to time, any sum or sums of monies through loans, bonds, debentures, or otherwise, in one or more tranches, which together with the monies already borrowed by the Bank (apart from temporary loans obtained or to be obtained from the Bank’s bankers in the ordinary course of business and deposits of money from the public repayable on demand or otherwise (withdrawable by cheque, draft, order or otherwise) may exceed the aggregate of the paid up capital of the bank and the bank’s free reserves provided that the total amount so borrowed by the Board shall not at any time exceed a total outstanding amount of ₹ 7000,00,00,000/- (Rupees Seven Thousand Crore Only) or the aggregate of the paid up capital, free reserves of the Bank and securities premium, whichever is higher at any time.”

“RESOLVED FURTHER THAT the Board, be and is hereby authorised and empowered to do all such acts, deeds, matters and things, arrange, give such directions as may be deemed necessary or expedient, or settle the terms and conditions of such instrument, securities, loan, debt instrument as the case may be, on which all such moneys as are borrowed, or to be borrowed, from time to time, as to interest, repayment, security or otherwise howsoever as it may think fit, and to execute all such documents, instruments and writings as may be required to give effect to this Resolution and for matters connected therewith or incidental thereto, including intimating the concerned authorities or other regulatory bodies and delegating all or any of the powers conferred herein to any committee of directors or officers of the Bank.”

8. Borrowing / raising of funds, by issue of debt securities on a Private Placement basis

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

Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 23, 42, 71, 179 and 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Share Capital and Debenture) Rules 2014 and the Companies (Prospectus and Allotment of Securities) Rules 2014, any other applicable rules issued under Companies Act, 2013 (the “Rules”), the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (“SEBI Regulations”), Operational Circular for Issue and Listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper issued by the Securities and Exchange Board of India (“SEBI”) and other applicable rules, regulations, guidelines and directions issued by the SEBI (including any statutory modification(s) or re-enactment thereof for the time being in force), applicable provisions of the Banking Regulation Act, 1949, the Foreign Exchange Management Act, 1999, including the rules, circulars and guidelines issued by the Reserve Bank of India (“RBI”), Operational Circular No. SEBI/ HO/ DDHS/ P/ CIR/ 2021/ 613 dated August 10, 2021, issued by the SEBI, the relevant provisions of the memorandum and articles of association of the ESAF Small Finance Bank Ltd. (the “Bank”) and subject to the rules, regulations, guidelines, and circulars issued thereunder from time to time by the RBI, SEBI or any other statutory/ regulatory authorities and such other approvals, consents, and sanctions as may be necessary from the statutory authorities concerned, the approval of the shareholders of the Bank, be and is hereby accorded to the board of directors (herewith referred to as the “Board” which expression shall also include a committee thereof, or any other persons to whom powers are delegated by the Board as permitted under Companies Act, 2013) of the Bank for borrowing or raising funds, from time to time, in Indian Rupees or any other permitted foreign currency by issuing or making offer(s) or invitation(s) to subscribe to non-convertible debentures/ bonds/ notes other debt securities including, but not limited to, subordinated, unsecured, rated, listed/ unlisted, taxable, redeemable fully paid-up Basel III compliant Tier-II bonds medium term notes perpetual debt instruments (part of additional Tier I Capital), Tier II Capital bonds, long term bonds (financing of

infrastructure and affordable housing), sustainable / environmental, social, and governance bonds (including green bonds) and such other securities as may be permitted by RBI and under applicable laws from time to time (collectively hereinafter referred to as the "debt securities" , in one or more tranches and / or series and / or under one or more placement memorandum /general information document and / or one or more letters of offer as may be issued by the Bank, in such classes and with such rights or terms as may be considered necessary for each series / tranches, until the conclusion of the Ninth Annual General Meeting, on a private placement basis, for an amount not exceeding in aggregate ₹10,00,00,00,000/- (Rupees One Thousand Crore Only), within the overall borrowing limits of the Bank, on such terms and conditions and at such times at par or at such premium/discount, and to any category of investors who are permitted to invest in Banks, as may be decided by the Board."

"RESOLVED FURTHER THAT the Board or any Committee of the Board or such other persons as may be authorised by the Board, be and is hereby authorised to appoint merchant bankers, underwriters, guarantors, depositories, custodians, registrars, trustees, stabilising agents, bankers, lawyers, advisors and all such agencies as may be involved or concerned in the issue and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, contracts/agreements, memoranda, documents, etc., with such agencies, to seek the listing of debt securities in one or more recognised stock exchange(s) as may be required."

"RESOLVED FURTHER THAT the Board of Directors of the Bank or any committee of the Board or such other persons as may be authorised by the Board, be and are hereby authorised to negotiate, modify and finalise the terms and conditions of the debt securities and sign the relevant documents/agreements in connection with the private placement of the debt securities, including without limitation, the private placement offer letter (along with the application form), information memorandum, general information document, key information document, disclosure documents, debenture subscription agreement, debenture trust deed and any other documents as may be required, in connection with the offering(s), issuance(s) and/or allotment(s) on private placement of debt securities by the Bank and to further delegate the above powers to any committee of Directors or

any personnel of the Bank to act on their behalf as they may deem fit and to do all such other acts and things and to execute all such documents as may be necessary for giving effect to this resolution."

9. Material Related Party Transactions for Acceptance of Deposits in Current / Savings Account or any other similar accounts permitted to be opened under applicable laws.

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

"RESOLVED THAT pursuant to the Regulation 23 of the Securities and Exchange Board of India (Listing and Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), the applicable provisions of the Companies Act, 2013 read with the relevant rules made thereunder and any other applicable laws (including any statutory amendments, modifications, variations or re-enactments thereto, for the time being in force), Policy on Related Party Transactions of the Bank and Memorandum and Articles of Association of the Bank, and pursuant to the approval and recommendation of the Audit Committee and the Board of Directors of the Bank, approval of the members of the Bank, be and is hereby accorded to the Board of Directors of the Bank (herein after referred to as the "Board", which term shall deemed to include Audit Committee of the Board, to exercise its powers conferred by this resolution) for entering into and / or carrying out and / or continuing with the existing contracts / arrangements / transactions (whether individual transaction or transactions taken together or series of transactions or otherwise) on an arm's length basis and in the ordinary course of business of the Bank with the Promoter entity, i.e. ESAF Financial Holdings Private Limited, the Promoter Group entity, i.e. ESAF Swasraya Multi State Agro Co-operative Society Limited, with respect to acceptance of deposits in current/ savings or any other similar accounts permitted to be opened by the Bank under applicable laws, whether by way of fresh deposit(s) or any extension(s) or modification(s) of existing contracts / arrangements / transactions or otherwise, payment of interest or levy of charges for any services provided by the Bank from time to time, notwithstanding the fact that the balance on any day from the date of 08th Annual General Meeting upto the date of 09th Annual General Meeting (both days inclusive), may exceed the limits specified under SEBI Regulations as amended, for each such party, provided however,

that the said contracts / arrangements / transactions shall be carried out on an arm's length basis and in the ordinary course of business of the Bank."

"RESOLVED FURTHER THAT the Board of Directors of the Bank, be and are hereby authorised to execute all such agreements, documents, instruments and writings as deemed necessary and to file requisite forms or applications with statutory / regulatory authorities, with power to alter and vary the terms and conditions of such contracts / arrangements / transactions and to settle all questions, difficulties or doubts that may arise in this regard, as they may in their sole and absolute discretion deem fit and to do all such acts, deeds, matters and things as may be considered necessary and appropriate and to delegate all or any of its powers herein conferred to any Committee(s) / Director(s) / Officer(s) of the Bank, to give effect to this resolution."

10. Fee for obtaining physical copies of documents.

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

"RESOLVED THAT pursuant to the provisions of Section 20 and other applicable provisions of the Companies Act, 2013 and relevant rules framed thereunder if any, whereby, a document may be

served on any member by the Bank by sending it to him/her by post, by registered post, by speed post, by electronic mode, or any other modes as may be prescribed, consent of the members be and is hereby accorded to charge from the member such fees in advance equivalent to estimated actual expenses of delivery of the documents delivered through registered post or speed post or by courier service or such other mode of delivery of documents pursuant to any request by the shareholder for delivery of documents, through a particular mode of service mentioned above provided such request along with requisite fees has been duly received by the Bank at least 10 days in advance of dispatch of documents by the Bank to the shareholder."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Board of directors or Chief Financial Officer or the Company Secretary of the Bank be and are hereby severally authorised to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution".

**By the order of the Board
For ESAF Small Finance Bank Ltd.**

Sd/-

Ranjith Raj P

Company Secretary and Compliance Officer

Membership No.: A 30388

Registered and Corporate Office: Building No. VII/83/8, ESAF Bhavan, Thrissur-Palakkad National Highway, Mannuthy, Thrissur, Kerala, India, PIN – 680 651

Place: Thrissur

Date: July 20, 2024

NOTES

- The Ministry of Corporate Affairs (“MCA”) vide its General Circular numbers 20/2020 dated May 05, 2020, 02/2022 dated May 05, 2022, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and the Securities and Exchange Board of India vide its Circular No. SEBI/ HO/ CFD/ PoD-2/ P/ CIR/ 2023/ 4 dated January 05, 2023 (collectively referred to as “the Circulars”), has permitted to hold Annual General Meeting (“AGM” or “Meeting”) through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”), without the physical presence of members at a common venue. Hence, in compliance with the applicable provisions of the Companies Act, 2013 and rules made thereunder read with the Circulars, the AGM of the Bank is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered and Corporate Office of the Bank situated at Building No. VII/83/8, ESAF Bhavan, Mannuthy, Thrissur – Palakkad National Highway, Thrissur, Kerala, PIN – 680 651.
- Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is also entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a Member of the Bank. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM and participate there at and cast their votes through e-voting.
- The statement pursuant to Section 102(1) of the Companies Act, 2013 read with the relevant Rules made thereunder (“Act”), the Secretarial Standard on General Meetings (SS-2), in respect of item nos. 4 to 10 of this notice, is annexed herewith.
- The Bank has availed the services of National Securities Depository Limited (“NSDL”) for providing VC facility.
- The Members can join the AGM in the VC/OAVM mode, 30 minutes before the scheduled time of the commencement of the meeting by using the remote e-voting login credentials and selecting the EVEN for Bank’s AGM as further detailed in the Notice - Instructions for members for remote e-voting. The facility of participation at the AGM through VC/ OAVM will be made available for 1,000 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 AGM without restriction on account of first come first served basis. The facility will not be closed earlier than 30 minutes after scheduled time.
- In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote, provided the votes are not already cast by remote e-voting. Every Folio/Client ID will have only one login-id irrespective of the number of joint holders.
- Institutional/ Corporate shareholders (i.e. other than individuals/ HUF, NRI, etc.) intending to participate and vote during the AGM, are requested to send a scanned copy (pdf/ jpg format) of its Board or Governing Body’s resolution/ authorisation etc., authorising their representative to attend and vote in the AGM on their behalf, to the scrutinisers by sending an e-mail to akashbinoyassociates@gmail.com with a copy marked to investor.relations@esafbank.com and evoting@nsdl.com quoting their DP ID and Client ID or folio number. Alternatively, same can also be uploaded by clicking on “Upload board resolution / authority letter” displayed under “e-voting” tab in their respective login.
- Members may note that attendance of members through VC shall be counted for the purpose of reckoning quorum under Section 103 of the Companies Act, 2013.
- All documents referred to in the Notice and the Explanatory Statement, and requiring Members’ approval, and such statutory records and registers, as are required to be kept open for inspection under the Companies Act, 2013, shall be available for inspection by the Members at the Registered and Corporate Office of the Bank during business hours and shall be accessible to the person attending the meeting. In accordance with the MCA Circulars, the said documents have been made accessible for inspection through electronic mode and shall remain open and be accessible to any member till conclusion of the meeting. Any member intending to inspect the documents through electronic mode shall make a request by sending an e-mail to investor.relations@esafbank.com.

- In accordance with the Circulars, notice of 08th AGM along with the annual report for the Financial Year 2023-24 is being sent only through electronic mode to the members who have registered their e-mail addresses with the Bank / their respective depository participant ("DP"). Accordingly, no physical copy of the notice of 08th AGM and the Annual Report for the Financial Year 2023-24 is being sent to members who have not registered their e-mail addresses with the Bank / DP. The members will be entitled to a physical copy of the Annual Report for the Financial Year 2023-24, free of cost, upon sending a request to the Bank or its registrar and transfer agent ("RTA") viz. Link Intime India Limited. Members may note that the notice of 08th AGM and the annual report are also available on the Bank's website at www.esafbank.com and on the website of stock exchanges i.e. BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com).
- The members are requested to register their e-mail or new e-mail ID which has already been registered with the Depository Participant.
- All correspondence regarding shares of the Bank should be addressed to the Bank's Registrar and Transfer Agent ("RTA"), Link Intime India Private Limited ("Link Intime") at M/s. Link Intime India Private Limited, Unit - ESAF Small Finance Bank Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, Telephone: 8108116767, Fax: +91 22-49186060, E-mail: rnt.helpdesk@linkintime.co.in.
- For ease of conduct, members who would like to ask questions/ express their views on the items of the businesses to be transacted at the meeting can send in their questions/ comments in advance by sending an email to investor.relations@esafbank.com at least five days prior to the meeting, mentioning their name, demat account no./ Folio no., e-mail Id, mobile number etc. The queries may be raised precisely and in brief to enable the Bank to answer the same suitably depending on the availability of time at the meeting.
- The Board of Directors have appointed Mr. Akash Binoy, Practising Company Secretary (Membership Number: A62280 and Certificate of Practice Number: 23490) as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
- The results declared along with the report of the Scrutiniser shall be placed on the website of the Bank www.esafbank.com and on the website of NSDL <https://www.evoting.nsdl.com>, immediately after the declaration of result by the Chairman.
- Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- During the meeting, where a poll on any item is required, the members participating through VC shall cast their vote on the resolutions only by sending e-mails from their registered e-mail id registered with the Bank to investor.relations@esafbank.com.
- Further, members will be required to use camera, if any, and hence require to use internet with a good speed to avoid any disturbance during the meeting.

Fixing record date for payment of Dividend for Financial Year 2023-24

The Board of Directors at its meeting held on May 08, 2024, recommended a dividend of ₹ 0.70 per Equity Share of ₹10/- each (7%). Further, the Board has fixed Wednesday, August 07, 2024 as the Record Date for determining the members entitled to receive dividend for the Financial Year ended March 31, 2024, subject to approval of the shareholders at this Annual General Meeting.

The dividend, if approved by the members at this AGM, will be paid subject to deduction of income-tax at source (TDS) on and from Monday, August 19, 2024 as under:

In respect of Ordinary shares held in physical form:

To all the members, whose names are on the Company's Register of Members, after giving effect to valid transmission and transposition requests lodged with the Company, as on close of business hours of Wednesday, August 07, 2024.

In respect of Ordinary Shares held in electronic form:

To all the beneficial owners of the shares, as of end of day of Wednesday, August 07, 2024, as per details furnished by the Depositories for this purpose.

TDS on Dividend:

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders effective April 01, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at the rates prescribed in the Income Tax Act, 1961 ('IT Act').

To enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category with their DPs if they hold shares in demat form or in case shares are held in physical form, with the RTA by sending documents through e-mail at rnt.helpdesk@linkintime.co.in.

Shareholders are requested to upload the duly filled and signed documents for availing tax exemption/concession at <https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> and in case of any difficulty, be sent to the E-mail ID investor.relations@esafbank.com. The detailed process of the same is available on the website of the Bank at <https://www.esafbank.com/wp-content/uploads/2024/07/Shareholder-Communication-Tax-deduction-on-Dividend.pdf>.

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

The remote e-voting period begins on **Saturday, August 10, 2024 at 09.00 A.M.** and ends on **Tuesday, August 13, 2024 at 05.00 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. **Wednesday, August 07, 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 bank as on the cut-off date, being **August 07, 2024**. subject to the relevant provisions of Section 12 of the Banking Regulation Act, 1949 and Reserve Bank of India Guidelines on Acquisition and Holding of Shares or Voting Rights in Banking Companies dated 16 January, 2023.

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

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

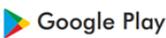
Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 09, 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"> <li data-bbox="469 1238 1473 1563">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. <li data-bbox="469 1563 1473 1675">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 <li data-bbox="469 1675 1473 2018">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 and voting during the meeting.

Type of shareholders	Login Method
	<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 style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;">   </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 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. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting 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. 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. 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.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL 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 & voting during the meeting.

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
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for 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 authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to akashbinoyassociates@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 or send a request to Ms. Pallavi Mahtre at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of 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 e-mail to investor.relations@esafbank.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 investor.relations@esafbank.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 09, 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.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM 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 AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
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 AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above to access NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/ OAVM link placed under Join General 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. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for AGM and will be available for Members on first come first served basis.
3. Members are encouraged to join the meeting through Laptops for better experience.
4. Further, members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. 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.

6. Members facing any technical issue in login before / during the AGM can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
7. Members who would like to express their views/ ask questions as a speaker at the meeting may pre-register themselves by sending a request in advance atleast five (5) days prior to meeting, from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at investor.relations@esafbank.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, e-mail id, mobile number at investor.relations@esafbank.com. These queries will be replied to by the company suitably by e-mail.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

RESULT OF E-VOTING

The Board of Directors has appointed Mr. Akash Binoy, Practicing Company Secretary as the Scrutiniser, to scrutinise the e-voting process in a fair and transparent manner.

The Scrutiniser shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting as per the procedure laid down in the Companies (Management and Administration) Rules, 2014 (as amended). On completion of the scrutiny, the Scrutiniser will submit his report to the Chairman of the meeting/ Managing Director & CEO of the Bank, who shall counter sign the same. The Results on above resolutions shall be declared within two working days from the date of conclusion of the AGM of the Bank and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.

The results declared along with the report of the Scrutiniser shall be placed on the website of the Bank www.esafbank.com and on the website of NSDL <https://www.evoting.nsdl.com>, immediately after the declaration of result by the Chairman.

EXPLANATORY STATEMENT SETTING OUT THE MATERIAL FACTS CONCERNING ITEMS OF ORDINARY / SPECIAL BUSINESS

In terms of the provisions of Section 102 of the Companies Act, 2013, Secretarial Standard on General Meetings (SS-2) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following explanatory statement sets out the material facts relating to item nos. 4 to 10 of this notice:

Item No. 4

Shri. Kadambelil Paul Thomas (DIN: 00199925) was appointed as Managing Director and CEO of the Bank for a period of three (3) years with effect from October 01, 2018, pursuant to the provisions of Section 10B and other applicable provisions of the Banking Regulation Act, 1949 (including any statutory modifications or re-enactments thereof, applicable provisions of the Companies Act, 2013), the Articles of Association of the Bank and based on the approval of Reserve Bank of India vide letter number DBR. Appt. No. 2655/ 29.44.005/ 2018-19 dated October 01, 2018.

Further, based on the recommendation of the Nomination, Remuneration and Compensation Committee of the Board (the "Committee") and the Board of Directors and the approval accorded by the Reserve Bank of India vide Letter No. DoR. GOV. No. S373/29.44.005/ 202122 dated July 20, 2021, the Shareholders in the 5th Annual General Meeting held on September 29, 2021 had reappointed Shri. Kadambelil Paul Thomas as Managing and CEO, for a further tenure of three (3) continuous years with effect from October 01, 2021. His tenure of appointment as the Managing Director and CEO of the Bank shall expire on September 30, 2024.

The Committee and the Board of Directors in the meeting held on February 08, 2024, based on the due diligence conducted and evaluation of performance, recommended the re-appointment of Shri. Kadambelil Paul Thomas as Managing and CEO, to the Shareholders for a further tenure of three (3) continuous years with effect from October 01, 2024, subject to the approval from the Reserve Bank of India.

The Board recommended the re-appointment of Shri. Kadambelil Paul Thomas as Managing and CEO of the Bank, considering the following:

- Shri. Kadambelil Paul Thomas, was the Managing Director and CEO of the Bank from March 10, 2017 to June 02, 2018 and October 01, 2018 till date. His leadership, experience and expertise in the field of banking leads a leap in performance of the Bank.

- During his tenure, the Bank has made a good growth in business despite of various challenges faced by the Bank including floods, COVID pandemic etc.
- The sustainability measures taken by the Bank under his leadership makes the Bank distinct from peers.
- He has taken strong steps to ensure compliance to the observations of Reserve Bank of India in their Annual Finance Inspection, for which compliance was approved by the Board. There were two cases of regulatory penalties received by the Bank during the Financial Year 2024, due to the unavoidable conditions which were described before the Board.
- Under his leadership, the Bank could complete the licensing conditions issued by the Reserve Bank of India, including listing of equity shares of the Bank, opening of branches in Unbanked Rural Centres, Priority Sector Lending etc.
- Shri. Kadambelil Paul Thomas has got specialised knowledge in the areas of Banking, Co-operation, Finance, Agriculture and Rural Economy and Business Management, as specified in the Banking Regulation Act, 1949.
- The Board or any Committee of the Board has not made any negative comments on Shri. Kadambelil Paul Thomas.
- There were no actions taken against him by any of the regulators including Reserve Bank of India. Further, there were no disciplinary actions taken/ pending by the Bank against him and there are/ were no cases of vigilance nature against him.
- The Committee considered the CIBIL report of Shri. Kadambelil Paul Thomas and has found that, he has got satisfactory level of credit score of 774.
- Based on the documents verified, there are no adverse remarks with reference to track record and integrity of the candidate.

In terms of the provisions of the Companies Act, 2013, Shri. Kadambelil Paul Thomas submitted requisite consent(s)/ disclosures and also received an intimation from Shri. Kadambelil Paul Thomas to the effect that he is not disqualified and further confirmed that he is also not debarred by any statutory authority to be appointed as a Director in any Company. The Board confirmed that, Kadambelil Paul Thomas complied with the fit and proper norms of RBI, provisions of Companies Act, 2013, applicable Securities and Exchange Board of India Regulations and Internal Policies of the Bank, for being appointed as the Managing Director and CEO of the Bank.

Further, basis the outcome of the performance evaluation conducted by the Nomination, Remuneration and Compensation Committee ("NRCCB") and in line with the "Remuneration Policy for Managing Director & CEO, Whole-time Directors, Material Risk Takers, Control Function Staff and other employees of the Bank", the NRCCB at its meeting held on February 08, 2024, reviewed the remuneration being paid to Shri. Kadambelil Paul Thomas as the Managing Director & CEO of the Bank and recommended a revision in his remuneration, for the 2024-25, for approval of the Board of Directors of the Bank. Subsequently, the Board at its meeting held on February 08, 2024, approved the revision in the remuneration payable to Shri. Kadambelil Paul Thomas, with effect from April 01, 2024, subject to approval of the members of the Bank and the RBI. The NRCCB and Board, while evaluating the performance of Shri. Kadambelil Paul Thomas, took note of the following:

- Under the leadership of Shri. Kadambelil Paul Thomas, the Bank has made a significant growth in the business of the Bank which was at ₹ 2,549 Crore at the time of commencement of operations of the Bank, whereas, the position is ₹ 37,009 Crore as on December 31, 2023.
- His strategies and leadership were the key for the resilience shown by the Bank to various challenges faced by the Bank such as floods in Kerala and other southern states and the COVID-19 pandemic. Despite of all such reasons, the Bank maintained an average growth of 30% throughout.
- Under the turbulent conditions in the capital market on account of various political and economic reasons, his effective strategies and guidance helped the Bank to successfully complete the Initial Public Offering of equity shares with 77 times over-subscription, which is one of the best performances by a company in BFSI Sector as compared to other public issues in the capital market during the recent times. This shows the confidence the investor community has reposed on the Bank as well as its promoters.
- The Bank has completed all the licensing conditions prescribed by the Reserve Bank of India. He has taken strong measures to ensure regulatory compliance across the organisation including compliance to the inspection reports of Reserve Bank of India.
- There were no governance concerns expressed by regulators during the recent past. The Bank has put in

place concrete policies and robust risk management practices and compliance frameworks.

- The performance evaluation of Managing Director and CEO for the past three years shows a consistent score above 90%.
- In terms of the Circular No. RBI/2021-22/24 DOR.GOV. REC.8/29.67.001/2021-22 dated April 26, 2023, issued by the Reserve Bank of India, a promoter is eligible to continue the position of Managing Director and CEO for a continuous period of 12 years, whereas, Shri. Kadambelil Paul Thomas will complete a total period of 7 years and 3 months only by the end of the current tenure of appointment. Therefore, in terms of the said circular, he is eligible to continue in the position for a minimum period of 4 years and 9 months.

The total remuneration proposed to be paid to Shri. Kadambelil Paul Thomas is ₹620 lakhs per annum which includes fixed pay and variable pay, with the percentage of variable pay over the fixed pay at 125%, which is proposed in compliance to the guidelines issued by the Reserve Bank of India vide no. RBI/ 2019-20/ 89 DOR.Appt.BC.No. 23/29.67.001/ 2019-20 dated November 04, 2019 on the Compensation of Whole-time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function staff. Subsequent to the approval of the Board, an application was filed vide letter dated March 20, 2024 to RBI for approval for revision of remuneration to be paid to Shri. Kadambelil Paul Thomas with effect from April 01, 2024, the details of which are given below:

Details of Remuneration proposed

Sl. No.	Particulars	Remuneration per annum (Amount in lakhs)
Fixed Pay		
(A)	Salary and Allowances	
i.	Salary	224
ii.	Other Fixed Allowances	10
Total Salary & allowances		234
(B)	Retiral Benefits	
i.	Provident Fund	22.4
ii.	Gratuity	As per the general norms applicable for employees
Total Retiral Benefits		22.4

Sl. No.	Particulars	Remuneration per annum (Amount in lakhs)
(C)	Perquisites	
i.	Other perquisites (includes Free Furnished House and its maintenance/HRA, Conveyance Allowance/ Free use of bank's car for official and private purposes, Driver(s) salary, Club Membership(s), Reimbursement of medical expenses, Medical Insurance Premium, Reimbursement of Entertainment Expenditure, Travelling and Halting Allowance etc.)	18.6
Total Fixed Pay		275
Variable Pay*		
i.	Cash Component	345
ii.	Non-Cash Component	NIL
Total Variable Pay		345
Total Pay		620

*Variable Pay shall be subject to deferral as per the RBI Circular.

In compliance with the provisions of Section 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act as amended, and Regulation 17 (1C) of the SEBI Listing Regulations, and based on the recommendation of the Board of Directors and Nomination Remuneration and Compensation Committee of the Board, approval of the Members is sought for the re-appointment and terms of remuneration of Shri. Kadambelil Paul Thomas as Managing Director and Chief Executive Officer of the Bank as set out above.

None of the Directors and Key Managerial Personnel of the Bank or their relatives, except Shri. Kadambelil Paul Thomas, to whom the resolution relates, and Shri. John Samuel, who is the nominee of Shri. Kadambelil Paul Thomas, are concerned or interested, financially or otherwise, in the resolution mentioned in Item No. 04 of the Notice.

The Board recommends the resolution set forth in Item No. 04 as a Special Resolution for approval of the Members.

Additional information on Directors seeking appointment and for whom payment of remuneration (fixed and variable pay) is being sought for, as set out in this Annual General Meeting Notice, in terms of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Name	Kadambelil Paul Thomas										
Date of Birth/Age	May 21, 1963 / 61 Years										
Nationality	Indian										
Educational Qualification	Master in Business Administration (MBA) from Annamalai University										
Expertise in specific functional areas	Rural economy, Banking, Finance, Agriculture and Co-operation.										
Experience	<ul style="list-style-type: none"> October 01, 2018 – Present Managing Director and CEO, ESAF Small Finance Bank Ltd. March 10, 2017 – June 02, 2018 Managing Director and CEO, ESAF Small Finance Bank Ltd. April 01, 2008 – March 09, 2017 Chairman and Managing Director, M/s. ESAF Financial Holdings Private Limited (Previously known as M/s. ESAF Microfinance and Investments Private Limited) September 21, 2012 – May 16, 2016 Non Executive Director, ESAF Enterprise Development Finance Limited (which was renamed as Tattva Fincorp Limited in 2016). 										
Terms and Conditions of appointment	Re-appointment as the Managing Director and CEO of the Bank for a period of three consecutive years with effect from October 01, 2024.										
Details of remuneration sought to be paid	₹ 620 lakhs										
Remuneration last drawn	₹ 443 Lakhs (Rupees Four Hundred and Forty-Three Lakhs only)										
Date of first appointment on Board	May 05, 2016										
Directorship held in other listed Companies	NIL										
Directorships in other companies / Positions in other entities	<table border="1"> <thead> <tr> <th>Sl. No.</th> <th>Name of the Company</th> <th>Designation</th> <th>Period</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Thrissur Startup Incubation Council</td> <td>Director</td> <td>September 12, 2023 – Till date</td> </tr> </tbody> </table>			Sl. No.	Name of the Company	Designation	Period	1.	Thrissur Startup Incubation Council	Director	September 12, 2023 – Till date
Sl. No.	Name of the Company	Designation	Period								
1.	Thrissur Startup Incubation Council	Director	September 12, 2023 – Till date								
Brief Profile:	<p>Shri. Kadambelil Paul Thomas is the Individual Promoter and Managing Director and Chief Executive Officer of the Bank. He holds a Master's degree in Business Administration from Annamalai University. He was previously the Chairman and Managing Director of ESAF Financial Holdings Private Limited. He has also served as the Founder Secretary cum Honorary Executive Director of ESAF Foundation (previously known as Evangelical Social Action Forum) for over 26 years. He was also previously a Director on the boards of Sanma Garments Private Limited, Rhema Dairy Products India Private Limited, Rhema Kisan Producer Company Limited, Lahanti Homes and Infrastructure Private Limited, ESAF Health Care Services Private Limited, ESAF Swasraya Producers Company Limited, CEDAR Retail Private Limited, ESAF Enterprise Development Finance Limited and Cedar Livelihood Services Private Limited. Presently, he is the president of Kerala Association of Microfinance Institutions Entrepreneurs and Chairman of Sa-Dhan. He was previously the Chairman of Confederation of Indian Industry, Kerala.</p>										

	During Fiscal 2022, he received the Marketing Meister award, the Business Leader of the Year award, FE Pillar of the BFSI Industry award, the APY Big Believers (ABB) 3.0 award from PFRDA for the best performing MD and CEO, the India Banking Summit CEO of the Year Award, the Exemplary Diamond award from PFRDA and the CEO with HR orientation award at world HRD congress.
Memberships in the Committees of Board of other listed Companies	NIL
Memberships / chairmanships of Committees of the Boards of other Companies	NIL
Listed entities from which the director has resigned in the past three years	NIL
Shareholding in the Bank	6.06% Number of shares held in the bank - 3,11,86,785
Relationships between directors inter-se, Manager and other Key Managerial Personnel of the Bank	No relationship per se.
Number of Board Meetings attended during his tenure (till the date of this Annual General Meeting Notice)*	During the Financial Year 2023-24, 16 meetings of the Board of Directors were attended.

Memberships/ Chairmanship of Committees of other Companies

Sl. No.	Name of the Company	Board Committees in which he is a member	Board Committees in which he is a Chairperson
NIL			

Item No. 5

The Reserve Bank of India ("RBI") vide notification no: RBI/2023-24/70 DOR.HGG.GOV.REC.46/29.67.001/2023-24 dated October 25, 2023 had advised all private sector banks to ensure the presence of at least two Whole-time Directors ("WTDs"), including the Managing Director & CEO, on their Boards. Based on the same the Nomination Remuneration and Compensation Committee of the Board (the "Committee") and the Board of Directors of the Bank (the "Board"), at its meeting held on February 08, 2024, after evaluation of various candidates, recommended to appoint Shri. George Kalaparambil John (DIN:00694646) as a Whole-time Director (designated as Executive Director) of the Bank, with effect from the date of approval of RBI or from such date or such other period as may be approved by RBI, while approving his appointment as Whole-time Director (designated as Executive Director) of the Bank in terms of Section 35B of the Banking Regulation Act, 1949 and also the terms and conditions relating to the said appointment, including remuneration payable to Shri. George Kalaparambil John.

Brief Profile

Shri. George Kalaparambil John has got rich experience in the field of Micro Banking Business and he has played a significant role in building the microfinance business of ESAF Small Finance Bank Limited. He was instrumental in building the micro finance network of the Corporate Promoter of the Bank, M/s. ESAF Financial Holdings Private Limited, in the north and north-eastern states of the country, prior to the commencement of business of the Bank. He has managed/ overseen various business and operational departments namely – Micro Banking, Liability, Assets, IT, Digital, Operations, Finance, Treasury, MIS, HR, Marketing, Legal and has headed various projects under his leadership. He has got specialised knowledge in the areas of Agriculture and Rural Economy, Banking, Finance, Co-operation, Human Resources and Business Management, as specified in the Banking Regulation Act, 1949.

Pursuant to the application made by the Bank in connection with his appointment, RBI, vide its letter dated May 16, 2024, conveyed their approval for the appointment of Shri. George Kalaparambil John (DIN:00694646) as Whole-time Director, designated as Executive Director, of the Bank for a period of Three (3) years with effect from the date of taking charge, including the remuneration proposed to be paid and other benefits as provided herein.

As recommended by the Committee, Board in its meeting held on May 18, 2024, appointed Shri. George Kalaparambil John, Executive Vice President IT and Operations as an Additional Director and further elevated and appointed

him as the Whole-time Director, designated as Executive Director, of the Bank for a period of Three (3) years, with effect from May 18, 2024 in accordance with the approval of RBI and subject to the approval of members of the Bank. The Board, as recommended by the Committee, approved the remuneration proposed to be paid and other benefits as provided herein.

The payment of variable pay to Shri. George Kalaparambil John shall be subject to be made based on the evaluation of his performance which is linked to rating based on the metrics (both quantitative and qualitative) and in accordance with Reserve Bank of India "Guidelines on Compensation of Whole-time Directors / Chief Executive Officers / Material Risk Takers and Control Function Staff" dated November 04, 2019 and the Compensation Policy of the Bank. The payment of variable pay in each financial year is subject to the specific prior approval of the RBI in terms of Section 35B of the Banking Regulation Act, 1949.

In terms of Section 160 of the Companies Act, 2013, the Bank has received a notice in writing from a Member signifying his intention to propose the candidature of Shri. George Kalaparambil John for the office of Director.

Pursuant to the provisions of Section 152 of the Act and relevant articles of the Articles of Association (the "Articles") of the Bank, Shri. George Kalaparambil John as a Director, shall not be liable to retire by rotation, during his tenure as Whole-time Director (designated as Executive Director).

Whilst considering the appointment of Shri. George Kalaparambil John as a Director and Whole-time Director (designated as Executive Director), the Committee and the Board reviewed and considered the following:

- Shri. George Kalaparambil John, is serving in ESAF Small Finance Bank Ltd. from the date of its commencement of business and he is the senior most in the Executive Vice President cadre of the Bank.
- He has got rich experience in the field of Micro Banking business and he played a significant role in building the microfinance business of the Bank. He was instrumental in building the micro finance network of the corporate promoter of the Bank, in the north and north-east states of the country, prior to the commencement of business of the Bank.
- He has managed/ overseen various business and operational departments namely Micro Banking, Liability, Assets, IT, Digital Banking, Operations, Finance, Treasury, MIS, Human Resources, Marketing, Legal and has headed various projects under his leadership.
- Shri. George Kalaparambil John has got specialised knowledge in the areas of Agriculture and Rural

Economy, Banking, Finance, Co-operation, Human Resources and Business Management, as specified in the Banking Regulation Act, 1949.

In compliance with the provisions of Section 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act as amended and Regulation 17 (1C) of the SEBI Listing Regulations, and based on the recommendation of the Board of Directors and Nomination Remuneration and Compensation Committee of the Board, approval of the Members is sought for the appointment of Shri. George Kalaparambil John as Whole-time Director, designated as Executive Director of the Bank and the terms of remuneration as set out below:

Details of Remuneration proposed

Sl. No.	Particulars	Remuneration per annum (Amount in lakhs)
Fixed Pay		
(A)	Salary and Allowances	
iii.	Salary	50
iv.	Other Fixed Allowances	37.65
Total Salary & allowances		87.65
(B)		
Retiral Benefits		
iii.	Provident Fund	5
iv.	Gratuity	As per the general norms applicable for employees
Total Retiral Benefits		5
(C)		
Perquisites		
ii.	Other perquisites (includes Free Furnished House and its maintenance/HRA, Conveyance Allowance/ Free use of bank's car for official and private purposes, Driver(s) salary, Club Membership(s), Medical Insurance Premium, Reimbursement of Entertainment Expenditure, Travelling and Halting Allowance etc.)	15.35
Total Fixed Pay		108
Variable Pay*		
iii.	Cash Component	60
iv.	Non-Cash Component	72
Total Variable Pay		132
Total Pay		240

*Variable Pay shall be subject to deferral as per the RBI circular.

Except Shri. George Kalaparambil John or his relatives, none of the Directors or Key Managerial Personnel of the Bank and/or their relatives are concerned or interested, financially or otherwise, in the resolution mentioned in Item No. 05 of the Notice.

The Board recommends the resolution set forth in Item No. 05 as Special Resolution for approval of the Members.

Additional information on Directors seeking appointment and for whom payment of remuneration (fixed and variable pay) is being sought for, as set out in this Annual General Meeting Notice, in terms of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Name	Shri. George Kalaparambil John
Date of Birth/Age	August 09, 1973/ 50 Years
Nationality	Indian
Educational Qualification	<ul style="list-style-type: none"> • Master’s in Business Administration (MBA) with specialisation in Fintech from Birla Institute of Technology and Science, Pilani, Rajasthan. • Master’s in Social Work (MSW) with specialisation in Community Development from University of Pune. • Bachelor of Commerce (B.Com) from Mahatma Gandhi University, Kottayam. Certifications
Expertise in specific functional areas	<ul style="list-style-type: none"> • Agriculture and Rural Economy, Banking, Finance, Co-operation, Human Resources and Business Management.
Experience	<ul style="list-style-type: none"> • Executive Vice President (Business) in ESAF Small Finance Bank Ltd. (June, 2018 to May, 2022) • Senior Vice President and Head of Micro Banking Department in ESAF Small Finance Bank Ltd. (March, 2017 to June, 2018) • General Manager (Micro Finance Business) in ESAF Micro Finance and Investment Private Limited (June, 2013 to March, 2017) • Zonal Head (Central and North Zone) in ESAF Micro Finance and Investment Private Limited (March, 2008 to March, 2013) • Associate Director – ESAF Foundation, Nagpur (June, 2004 to March, 2008) • Senior Manager – ESAF Foundation, Thrissur (April, 2002 to May, 2004) • Manager- ESAF Foundation, Thrissur – (April, 2000 to March, 2002) • Programme Manager – ESAF Foundation, Thrissur (July, 1998 to March, 2000) • Programme Coordinator – ESAF Foundation, Thrissur – (August, 1994 to April, 1996)
Terms and Conditions of Appointment	Appointment as Whole-time Director (Designated as Executive Director) of the Bank for a period of Three (3) consecutive years with effect from May 18, 2024.
Details of remuneration sought to be paid	₹ 240 lakhs
Remuneration last drawn	Not applicable since he is being appointed as Director for the first time.
Date of first appointment on Board	Not Applicable
Directorship held in other listed Companies	NIL
Directorships in other companies / Positions in other entities	NIL

Memberships in the Committees of Board of other listed Companies	NIL
Memberships / chairmanships of Committees of the Boards of other Companies	NIL
Listed entities from which the director has resigned in the past three years	NIL
No. of shares held in the Bank or on a beneficial ownership basis	12,501 shares
Relationships between directors inter-se, Manager and other Key Managerial Personnel of the Bank	No relationship per se.
Number of Board Meetings attended during his tenure (till the date of this Annual General Meeting Notice)*	One

Memberships/ Chairmanship of Committees of other Companies

Sl. No.	Name of the Company	Board Committees in which he is a member	Board Committees in which he is a Chairperson
NIL			

Item No. 06 - Re-appointment of Dr. Vinod Vijayalekshmi Vasudevan (DIN: 02503201) as Non-Executive Independent Director of the Bank

Dr. Vinod Vijayalekshmi Vasudevan was appointed as Non-Executive Independent Director of the Bank with effect from December 22, 2021, for a first term of three consecutive years. As per the terms of appointment, his tenure of appointment shall end on December 21, 2024. The Nomination Remuneration and Compensation Committee of the Board (NRCCB) and the Board of Directors in its meeting held on June 13, 2024 and June 14, 2024 respectively, has recommended the re-appointment of Dr. Vinod Vijayalekshmi Vasudevan as Non-Executive Independent Director for a period of three consecutive years with effect from December 22, 2024, based on his skills, experience, knowledge and evaluation of performance.

Brief Profile

Dr. Vinod Vijayalekshmi Vasudevan comes with extensive experience in the field of Information Technology and Business Management. Dr. Vinod Vijayalekshmi Vasudevan is currently the Group CEO of Flytxt BV, Dubai and Amsterdam, a company which pioneers in Artificial Intelligence and Analytics solutions for customer lifetime value management for subscription and usage business.

Prior to Flytxt, he has held technology and business leadership roles in Japan, Singapore, USA, and India. He was an early hire at the green field Telecom venture 'Reliance Infocom' (subsequently Reliance Communications), where he was responsible for nation-wide data and content services and wireless ATM and POS services. These innovative services received national and international awards such as the "Best IT implementation" from PC-Quest and "SOA award" from IDC.

He has served as a keynote speaker and panelist at global events, a key participant in ISO standards, has several patents and has authored many papers. He holds a Bachelors, Masters and Doctorate in Computer Science and Engineering from IIT Kharagpur, where he specialised in artificial intelligence.

Whilst considering the re-appointment of Dr. Vinod Vijayalekshmi Vasudevan as an Independent Director, the Nomination Remuneration and Compensation Committee of the Board (NRCCB) and the Board confirmed that:

- He conforms to the fit and proper norms prescribed by the Reserve Bank of India ("RBI"), provisions of Companies Act, 2013, applicable SEBI Regulations and Internal Policies of the Bank;
- The Bank has received a declaration from Shri. Vinod Vijayalekshmi Vasudevan that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013;
- He is not disqualified from being appointed as a Director of the Bank, in terms of Section 164 of the Act and has given his consent to act as an Independent Director of the Bank. In the opinion of the Board, he fulfils the conditions relating to his appointment as prescribed under the relevant provisions of the act,

(including but not limited to Sections 149, 150, 152 and 160, read with Schedule IV of the Act) the relevant rules made thereunder, the SEBI Listing Regulations, the Banking Regulation Act, 1949 and the guidelines issued by the RBI, in this regard, from time to time;

- He has the requisite skills, capabilities and expertise in functional areas namely Information Technology and Business Management etc. through qualification and diverse experience, which are beneficial to the Bank.

Given his extensive knowledge, background, experience and expertise in the field of Information Technology and Business Management, the Nomination, Remuneration and Compensation Committee of the Board and the Board of Directors of the Bank are of the view that, the re-appointment of Dr. Vinod Vijayalekshmi Vasudevan as an Independent Director shall be of immense benefit to the Bank and accorded its recommendation to the members to re-appoint Dr. Vinod Vijayalekshmi Vasudevan as an Independent Director of the Bank for a term of three (3) consecutive years with effect from December 22, 2024.

The period of office of Dr. Vinod Vijayalekshmi Vasudevan as the Independent Director of the Bank shall not be liable to determination by retirement of directors by rotation, in terms of Section 152 of the Companies Act, 2013. The Bank

has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a member proposing the candidature of Dr. Vinod Vijayalekshmi Vasudevan.

Dr. Vinod Vijayalekshmi Vasudevan is entitled to sitting fees in accordance with the applicable provisions of Companies Act, 2013 for attending the meetings of the Board and its Committee(s).

Except Dr. Vinod Vijayalekshmi Vasudevan or his relatives, none of the Directors or Key Managerial Personnel of the Bank and/ or their relatives are concerned or interested, financially or otherwise, in the resolution mentioned in Item No. 06 of the Notice.

The Board recommends the resolution set forth in Item No 06 as Special Resolution for approval of the Members.

Additional information on Directors seeking appointment and for whom payment of remuneration (fixed and variable pay) is being sought for, as set out in this Annual General Meeting Notice, in terms of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.-

Name of the proposed Director	Vinod Vijayalekshmi Vasudevan
Age	57 Years
Nationality	Indian
Qualification	<ul style="list-style-type: none"> • Doctorate in Philosophy from Indian Institute of Technology, Kharagpur (1994), in Artificial Intelligence with specialisation in artificial neural networks. • M.Tech from Indian Institute of Technology, Kharagpur (1990) in Computer Science and Engineering with specialisation in Artificial Intelligence. • B.Tech (Hons) from Indian Institute of Technology, Kharagpur (1988) in Computer Science and Engineering.
Expertise in specific functional areas	Information Technology and Business Management etc.
Experience	<ul style="list-style-type: none"> • He is currently the Group CEO of Flytxt BV, Dubai and Amsterdam, a company which pioneers in Artificial Intelligence and Analytics solutions for customer lifetime value management for subscription and usage business. • He has worked as the Chief Technology Officer in Reliance Communications for a period of six years with responsibility to conceptualise and launch mobile data network and services at the Greenfield Telco. • He has worked as the Chief Technology Officer in Newstakes Inc., USA which is a Silicon Valley startup.
Terms and Conditions of appointment	Re-appointment as Non-Executive Independent Director of the Bank for a period of Three (3) consecutive years with effect from December 22, 2024.
Directorship held in other listed Companies	NIL

Memberships in the Committees of Board of other listed Companies	NIL
Memberships / chairmanships of Committees of the Boards of other Companies	NIL
Listed entities from which the director has resigned in the past three years	NIL
Details of remuneration sought to be paid	No remuneration will be paid except Sitting Fees for attending meetings of the Board and Committee(s)
Remuneration last drawn	NIL, except the sitting fees received for attending the meetings of the Board and its Committees.
Date of First appointment on the Board	December 22, 2021
Shareholding in the Bank	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel	NIL
Number of meetings of the Board attended during the year.	15
Directorships held in other companies	<ul style="list-style-type: none"> • M/s. Flytxt Mobile Solutions International, UAE. • M/s. VV Digital Spaces LLP

Memberships/ Chairmanship of Committees of other Companies

Sl. No.	Name of the Company	Board Committees in which he is a member	Board Committees in which he is a chairperson
NIL			

Item No. 07 - To borrow in excess of the paid-up share capital and free reserves and securities premium of the Bank under Section 180(1)(c) of the Companies Act, 2013

The members had authorised the Board of Directors of the Bank ("Board", which term shall include any committee thereof which the Board may have, constituted or may hereinafter constitute to exercise its powers, including powers conferred by this resolution) to borrow from time to time a sum not exceeding ₹ 5000,00,00,000 crore (Rupees Five Thousand Crore Only), on such terms and conditions as it may deem fit under Section 180(1)(c) of the Companies Act, 2013 (the "Act") vide resolution passed on February 16, 2022.

Keeping in view the Bank's existing and future financial requirements, the Bank may need additional funds. For this purpose, the Bank is desirous of raising finance from

institutions/ persons as may be considered fit, which, together with the moneys already borrowed by the Bank (apart from temporary loans obtained from the Bank's bankers in ordinary course of business and deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise) may exceed the aggregate of the paid-up capital, the free reserves and securities premium of the Bank. Hence it is proposed that the amount so borrowed by the Board shall not at any time exceed ₹ 7000,00,00,000 (Rupees Seven Thousand Crore Only) or the aggregate of the paid up capital, free reserves and securities premium of the Bank, whichever is higher at any time.

As per the provisions of Section 180(1)(c) of the Act, a company cannot borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital, free reserves and securities premium, unless approval of the Members is obtained by way of a Special Resolution. In order to explore alternatives for capital adequacy requirements and in the light of the projected business requirements for financial year 2024-25, it is proposed to enhance the borrowing powers of the Bank such that the amount so borrowed by the Board shall not at any time exceed, ₹ 7000,00,00,000 (Rupees Seven

Thousand Crore Only) or the aggregate of the paid up capital, free reserves and securities premium of the Bank, whichever is higher at any time.

None of the Directors or Key Managerial Personnel of the Bank and/ or their relatives are concerned or interested, financially or otherwise, in the resolution mentioned in Item No. 07 of the Notice.

The Board recommends the resolution set forth in Item No 07 as Special Resolution for approval of the Members.

Item No. 08 - Borrowing / raising of funds, by issue of debt securities on a Private Placement basis

The Bank has been borrowing funds to meet the business requirements within the limits approved by the shareholders by way of issuance of non-convertible debentures/ bonds/ notes/ other debt securities including, but not limited to, subordinated, unsecured, rated, listed/ unlisted, taxable, redeemable fully paid-up Basel III compliant Tier-II bonds/ medium term notes, perpetual debt instruments (part of additional Tier I Capital), Tier II Capital bonds, long term bonds (financing of infrastructure and affordable housing), sustainable / environmental, social, and governance bonds (including green bonds) and such other securities permitted by Reserve Bank of India ("RBI") and under applicable laws from time to time (collectively hereinafter referred to as the "debt securities") and in accordance with the provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and other applicable laws, from time to time.

In terms of Section 42 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, a company can make private placement of securities subject to the condition that the proposed offer of securities

or invitation to subscribe to securities has been previously approved by the members of the Company, by a special resolution, for each offer or invitation/subscription. In case of an offer or invitation for subscription to non-convertible debentures, it shall be sufficient if the members pass a special resolution only once in a year for all the offers or invitation for subscription to non-convertible debentures proposed to be issued during the year.

Accordingly, in order to facilitate the raising of funds by way of issue of debt securities during a period of one (1) year from the conclusion of Eight (8th) AGM of the Bank, the Board of Directors in its meeting dated May 08, 2024 after assessing its fund requirements, has proposed to obtain the consent of the Members of the Bank for borrowing/ raising funds by issue of unsecured, rated, and redeemable non-convertible debentures, as may be permitted by RBI and under applicable laws from time to time, for an amount up to ₹1000,00,00,000/- (Rupees Thousand Crore only), in one or more tranches and within the limits permitted by regulatory authorities, to eligible investors on private placement basis, on such terms and conditions including the price, coupon, premium / discount, tenor etc., as the Board of Directors or any committee(s) thereof or such other persons as may be authorised by the Board, from time to time ("NCDs"), determine and consider proper and appropriate for the Bank. The amounts borrowed under the NCDs would be subject to the overall borrowing limits as may be approved by the members under Section 180(1) (c) of the Companies Act, 2013.

As required under Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the material facts in connection with the aforesaid issue of NCDs are as follows:

a)	Particulars of the offer including date of passing of Board resolution	Unsecured, rated, redeemable non-convertible debentures ("NCDs") whether cumulative and/ or non-cumulative for an amount not exceeding in aggregate ₹ 10,00,00,00,000/- (Rupees Thousand Crore only), in one or more tranches, on a private placement basis, at such interest rates and on such terms and conditions as may be determined by the Board/Committee of Directors/any person duly authorised by the Board, in accordance with the resolution passed by the Board in connection with such issue.
b)	Kinds of securities offered and the price at which security is being offered	Unsecured, rated, redeemable NCDs will be issued at a premium, discount, or at par, as may be determined by the Board/committee of Directors/any person duly authorised by the Board. The price will be determined in accordance with to applicable law (including without limitation, any directions/regulations of the RBI and the SEBI in respect of the raising of debt by banking companies) and based on market conditions prevailing at the time of the respective issue.

c)	Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	As the issuance would be in one or more tranches, price will be determined by the Board/committee of Directors/any person duly authorised by the Board in accordance with the prevailing market conditions at the time of the respective issue.
d)	Name and address of valuer who performed valuation	Not applicable being issuance of NCDs.
e)	Amount which the company intends to raise by way of such securities	₹ 10,00,00,00,000/- (Rupees Thousand Crore Only)
f)	Material terms of raising such securities	As the issuance would be in one or more tranches, material terms will be determined by the Board/committee of Directors/any person duly authorised by the Board, in accordance with the applicable provisions of the Companies Act, 2013 and the rules framed thereunder and other applicable law for the time being in force.
g)	Proposed time schedule	The issuance of the NCDs is proposed to be concluded prior to expiry of 1 (one) year from the conclusion of the Eighth Annual General Meeting of the Bank.
h)	Purposes or objects of offer	For the purpose of onward lending, financing, refinancing the existing indebtedness of the Bank (payment of the interest and / or repayment / prepayment of principal of borrowings)/ general corporate purposes. The NCDs may be in the nature of subordinated debt and will be utilised in accordance with statutory and regulatory requirements including requirements of RBI.
i)	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects	None
j)	Principle terms of assets charged as securities	The securities proposed to be issued are unsecured in nature.

None of the Directors or Key Managerial Personnel of the Bank and/ or their relatives are concerned or interested, financially or otherwise, in the resolution mentioned in Item No. 08 of the Notice.

The Board recommends the resolution set forth in Item No 08 as Special Resolution for approval of the Members.

Item No: 09 – Material related party transactions for acceptance of deposits in current/ savings account or any other similar accounts permitted to be opened under applicable laws

As per the provisions of Section 188 of the Companies Act, 2013 ("Act"), transactions with related parties which are at arm's length basis and in the ordinary course of business, are exempted from the obligation of obtaining prior approval of shareholders. However, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended by the Securities and

Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective from April 01, 2022, mandates prior approval of members by means of an ordinary resolution for all material related party transactions ("RPTs"), notwithstanding the fact that such transactions are at arm's length basis and in the ordinary course of business.

As per Regulation 2(1)(zc) read with the proviso to Regulation 23(1) of the SEBI Listing Regulations transactions involving transfer of resources, services or obligations between a listed entity and any person or entity forming a part of the promoter or promoter group of the listed entity are considered as 'related party transactions' ("RPT"), and as 'material related party transactions', if the transaction with a related party to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹ 1,000 crore or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

The Bank, during the ordinary course of its banking business, enters into certain transactions with its related parties, which include the current account / saving account transactions, fixed deposits, payment of interest, banking charges for various services and facilities or other banking services. Although the fixed deposit transactions are exempt from the RPTs under the SEBI Listing Regulations, there are possibilities that current account / saving account transactions of the promoter / promoter group entities with the Bank might exceed ₹1,000 Crore during a financial year. Therefore, it is required to seek the prior approval of the shareholders of the Bank for current account / saving account transactions. In addition to current account / saving account transactions, the Bank may pay interest on deposits or charge to the promoter / promoter group entities for the normal banking services provided by the Bank to them.

Further, SEBI vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 08, 2022, clarified that the

Member's approval of omnibus RPTs approved in an AGM shall be valid upto the date of the next AGM for a period not exceeding fifteen months. Hence, it is also proposed to seek approval of the Members for the below mentioned transactions at this AGM in order to have this approval for such transactions valid till next AGM.

The maximum value of transactions, during Financial Year 2024-25 and for the next financial year (until the holding of 09th Annual General Meeting of the Bank), between the Bank on one side and promoter/ promoter group entities, as mentioned above, individually on the other side, may exceed the threshold of "material related party transactions" under the SEBI Listing Regulations, i.e. ₹1,000 Crore or 10% of the annual consolidated turnover of the Bank as per the last audited financial statements of the Bank, whichever is lower, for each such party. All these transactions will be executed at arm's length basis and in the ordinary course of business of the Bank.

The details of the transaction are set out below:

Sl. No.	Particulars	Details of Transactions
1.	Name of the Related Party and Relationship	1. ESAF Financial Holdings Private Limited (Corporate Promoter) 2. ESAF Swasraya Multi State Agro Co-Operative Society Limited (Promoter Group Entity)
2.	Type and Particulars of the proposed transactions	Acceptance of deposits in current / savings account or any other similar accounts permitted to be opened under applicable laws.
3.	Value of the proposed transaction	Once an account is opened, a bank cannot legally stop amounts coming into the customer's account and it is entirely up to the discretion of the customer how much amount it seeks to place into the deposit. Hence, the value of the transaction is not determinable.
4.	Material terms	The terms would be as per the policy of the Bank or as may be prescribed by RBI from time to time. However, no interest is paid by the Bank on current account balance maintained by a customer. The Bank levies normal banking charges on the current account customers for various services. For all other deposits, the Bank levies charges/ pays interest uniformly to all customers (related/ unrelated parties) in accordance with Bank's policies and RBI norms, on the terms as applicable to other unrelated parties.
5.	Nature of concern or interest of the related party (financial / otherwise)	Financial
6.	Tenure of the proposed transaction	The tenure of the transaction depends on period opted for by the respective customer and cannot be ascertained by the Bank.
7.	Percentage of value of transaction to the Bank's annual turnover for the immediately preceding fiscal year (Based on turnover of fiscal year ended March 31, 2023)	Not applicable, since the value of the transaction is not determinable.

Sl. No.	Particulars	Details of Transactions
8.	If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary: 1. Details of financial indebtedness incurred 2. Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security 3. the purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the related party transaction	Not Applicable
9.	Justification as to why the related party transaction is in the interest of the listed entity	These transactions are in the ordinary course of banking business of the Bank which may include related parties of the Bank.
10.	Valuation or other external party report	Not applicable
11.	Any other information relevant or important for the shareholders to take a decision on the proposed resolution	Not applicable

The members may please note that in terms of provisions of Regulation 23(4) of the SEBI Listing Regulations, no related party of the Bank shall vote to approve the Ordinary Resolution at Item No. 09 of this Notice regardless of whether they are a related party to the particular transaction or not.

Except for Shri. Kadambelil Paul Thomas (being the Promoter of ESAF Financial Holdings Private Limited) and Shri. Ajayan Mangalath Gopalakrishnan (being the nominee of ESAF Financial Holdings Private Limited and their respective relatives, none of the Directors or Key Managerial Personnel of the Bank and/ or their relatives are concerned or interested, financially or otherwise, in the resolution mentioned in Item No. 09 of the Notice.

Based on the information on the transactions as provided above, the Audit Committee has approved entering into the said transactions and accordingly, the Board of Directors recommends the resolution set forth in Item No 09 as Ordinary Resolution for approval of the members.

Item No. 10 – Fee for obtaining physical copies of documents.

Pursuant to the provisions of Section 20 of the Companies Act, 2013 (‘the Act’) and the Rules made thereunder, a document may be served on a member of the Company by sending the same to him by post or by registered post or by speed post or by courier or by delivering it at his office

or address, or by such electronic or other mode as may be prescribed. However, as per the proviso of Section 20(2) of the Companies Act, 2013, a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting (AGM).

Further, listed companies are required to send financial statements: (a) by electronic mode to such members whose shareholding is in Demat form and whose E-mail IDs are registered with Depository for communication purposes; (b) where Shareholding is held otherwise than by Demat form, to such members who have positively consented in writing for receiving by electronic mode; and (c) by despatch of physical copies through any recognised mode of delivery as specified under Section 20 of the Act, in all other cases.

Accordingly, consent of the members is sought for passing the Special Resolution as set out in Item No. 10 of the Notice relating to serving the documents including financial statements to the members of the Bank on a request through a particular mode.

None of the Directors or Key Managerial Personnel of the Bank and/ or their relatives are concerned or interested, financially or otherwise, in the resolution mentioned in Item No. 10 of the Notice.

The Board recommends the resolution set forth in Item No 10 as Special Resolution for approval of the members.