

NOTICE

NOTICE IS HEREBY GIVEN THAT THE FIFTEENTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF M/S. IDFC BHARAT LIMITED WILL BE HELD ON TUESDAY, JULY 17, 2018 AT 11:00 A.M AT NO.9, PARIPOORNA TOWERS, MANORANJITHAM STREET, ANNAMALAI NAGAR, TRICHY – 620018 TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as on March 31, 2018, the Statement of Profit and Loss and Cash Flow Statement for the for the Financial Year ended March 31, 2018 and the Reports of the Auditors' and the Board of Directors thereon.

2. Declare dividend for the FY ended March 31, 2018
In this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ordinary resolution**: -
RESOLVED THAT a final dividend of Rs. 120/- per equity share of Rs. 10/- each be declared for the financial year ended March 31, 2018 and that the same be paid out of the profits of the Company to those shareholders whose names appear in the Register of Members as on 17.08.2018.
RESOLVED FURTHER THAT the interim dividend of Rs. 20/- per equity share of Rs. 10/- each declared by the Board of Directors and paid for the financial year ended March 31, 2018 be and is hereby confirmed.

3. Director Retire by rotation
In this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ordinary resolution**: -
RESOLVED THAT Mr. Arjun Muralidharan, holding DIN 02726409, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.

4. Fixation of Remuneration to Auditors
In this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ordinary resolution**: -
RESOLVED THAT the Board of directors of the Company be and are hereby authorized to fix the remuneration payable to M/s. Walker Chandickt and Co., the statutory auditors of the Company for the remaining period of their tenure as statutory auditors of the Company.

SPECIAL BUSINESS

5. Regularization Appointment of Mr. Ashish Singh as Nominee Director

In this regard 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 Sections 161 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any (including any statutory modification (s) or re-enactment (s) thereof for the time being in force) and the Article 44 of the Articles of Association of the Company, Mr. Ashish Singh (DIN: 01768711), who was appointed as an Additional Director in the category of Nominee Director representing IDFC Bank Limited (Holding Company) and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Nominee Director with effect from January 17, 2018 and who shall be liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Ashish Singh be paid such fees, profit related commission and remuneration, if applicable, as the Board of Directors and/ or Members may approve from time to time and within the limits as prescribed under the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company and Mr. Bobby Xavier, Company Secretary, be and are hereby severally authorized to file the requisite forms with the statutory/ regulatory authority(ies) and to do all such acts, deeds and things as may be necessary to give effect to the above resolution".

6. Remuneration payable to Ms. Shirley D the COO of the Company, holding an office or place of profit.

In this regard 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 188(1)(f) of the Companies Act, 2013, read with Companies (Meetings of Board and its powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (Act), including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time, the consent of the members be and is hereby accorded to the appointment of Ms. Shirley (daughter of Mr. S Devaraj, Executive Chairman of the Company), holding an office or place of profit, as Chief Operating Officer(COO) of the Company, at a remuneration for a sum not exceeding the amounts as given hereunder:

Annual Fixed Compensation:	Not Exceeding Rs. 8,360,000/- Per Annum
Annual Bonus :	Rs. 3,900,000/- Per Annum
Perquisites and Allowances:	As per the policy of the Company

RESOLVED FURTHER THAT the consent of the members be and is hereby accorded to the Nomination & Remuneration Committee/Board of Directors of the Company, to finalise and decide the change in designation/revisions in the remuneration payable to Ms. Shirley from time to time in accordance with the Company's applicable/relevant policies and to perform and execute all such acts, deeds, matters and things (including delegating such authority), as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto."

RESOLVED FURTHER THAT Mr. Arjun Muralidharan Managing Director and CEO of the Company and Mr. Bobby Xavier, Company Secretary of the Company, be and are hereby severally authorized to file the requisite forms with the statutory/regulatory authority(ies) and to do all such acts, deeds and things as may be necessary to give effect to the above resolution".

7. Remuneration payable to Mr. Satish D the Senior General Manager (Human Resource) of the Company, holding an office or place of profit.

In this regard 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 188(1)(f) of the Companies Act, 2013, read with Companies (Meetings of Board and its powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (Act), including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time, the consent of the members be and is hereby accorded to the appointment of Mr. Satish D (Son of Mr. S Devaraj, Executive Chairman of the Company), holding an office or place of profit, as Senior General Manager (Human Resource) of the Company, at a remuneration for a sum not exceeding the amounts as given hereunder

Annual Fixed Compensation: Not Exceeding Rs. 2,600,000/- Per Annum

Annual Bonus : Rs.925,000/- Per Annum

Perquisites and Allowances: As per the policy of the Company

RESOLVED FURTHER THAT the consent of the members be and is hereby accorded to the Nomination & Remuneration Committee/Board of Directors of the Company, to finalise and decide the change in designation/revisions in the remuneration payable to Mr. Satish D from time to time in accordance with the Company's applicable/relevant policies and to perform and execute all such acts, deeds, matters and things (including delegating such authority), as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto.

RESOLVED FURTHER THAT the Mr. Arjun Muralidharan the Managing Director and CEO of the Company and Mr. Bobby Xavier, Company Secretary of the Company, be and are hereby severally authorized to file the requisite forms with the statutory/

regulatory authority(ies) and to do all such acts, deeds and things as may be necessary to give effect to the above resolution".

8. Reappointment of Mr. S. Devaraj as the Executive Chairman of the Company

In this regard 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 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder, Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Articles of Association of the Company, subject to such other approvals as may be necessary from any statutory authorities or regulatory bodies and subject to the conditions as may be prescribed by such authorities or regulatory bodies while granting such approvals, the approval of the Members of the Company be and is hereby accorded for the appointment of Mr. S. Devaraj (DIN - 01936417) as the Executive Chairman of the Company with effect from October 13, 2018 up to March 31, 2019, and the remuneration payable for the financial year 2018-19 shall be

- | | |
|---|---|
| I. Annual Fixed Compensation: | Not Exceeding Rs.12,320,000/- p.a. |
| II. Annual Bonus : | As may be determined by the Nomination and Remuneration Committee and / or the Board of Directors |
| III. Perquisites and Allowances: | As per the policy of the Company and as may be approved by the Board of Directors after discussion with Mr. S. Devaraj. |

For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per income tax rules, wherever applicable.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as the "Board", which term shall include any Committee which the Board of Directors of the Company may have constituted or may thereafter constitute and delegate with the powers necessary for the purpose) be and is hereby authorized to decide the actual amount of remuneration (salary , perquisites and bonus} payable to Mr. S. Devaraj and alter, modify, vary or increase the same, from time to time within the aforesaid limits, to the extent the Board may consider appropriate.

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board, shall be paid to Mr. S. Devaraj as minimum remuneration with the approval of the Central Government, if required read with the applicable provisions of Schedule V of the Companies Act, 2013 and rules made there under.

RESOLVED FURTHER THAT Mr. S. Devaraj shall be subject to retirement by rotation during his tenure as the Executive Chairman of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolution, the Board and / or Company Secretary, be and are hereby severally authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to execute any agreements, documents or instructions as may be required and to settle any question, difficulty or doubt that may arise in the said regard."

9. Remuneration payable to Mr. Arjun Muralidharan the Managing Director & CEO of the Company.

In this regard 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 197, 198 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, Schedule V of the Companies Act, 2013 (including any statutory modification (s) or re-enactment (s) thereof for the time being in force), Articles of Association of the Company, subject to the approvals as may be necessary from the concerned statutory authorities or regulatory bodies and subject to conditions as may be prescribed by such authorities or regulatory bodies while granting such approvals, the approval of the Members of the Company be and is hereby accorded for revision in remuneration payable to Mr. Arjun Muralidharan (DIN - 02726409) as the Managing Director and CEO of the Company w.e.f. April 1, 2018 detailed as under:

- | | |
|---------------------------------------|--|
| I. Term: | From October 13, 2016 upto October 12, 2021 as the Managing Director and CEO of the Company |
| II. Annual Fixed Compensation | Not Exceeding Rs. 9,350,000/- per annum |
| III. Annual Bonus | As may be determined by the Nomination and Remuneration Committee and / or the Board of Directors |
| IV. Perquisites and Allowances | As per the policy of the Company and as may be approved by the Board of Directors after discussion with Mr. Arjun Muralidharan |

For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per income tax rules, wherever applicable.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as the "Board", which term shall include any Committee which the Board of Directors of the Company may have constituted or may thereafter constitute and delegate with the powers necessary for the purpose) be and is hereby authorized to decide the actual amount of remuneration (salary, perquisites and bonus) payable to Mr. Arjun Muralidharan and alter, modify, vary or increase the same, from time to time

within the aforesaid limits, to the extent the Board may consider appropriate.

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board, shall be paid to Mr. Arjun Muralidharan as minimum remuneration with the approval of the Central Government, if required read with the applicable provisions of Schedule V of the Companies Act, 2013 and rules made thereunder.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolution, the Board and/ or Company Secretary, be and are hereby severally authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to execute any agreements, documents or instructions as may be required and to settle any question, difficulty or doubt that may arise in the said regard."

**By order of the Board
For IDFC BHARAT LIMITED**

**Arjun Muralidharan
MD & CEO
(DIN – 02726409)**

**Place : Trichy
Date : 16/07/2018**

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members are requested to put their signature at the space provided on the attendance slip
5. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
6. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

Form No. MGT-11

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3)
of the Companies (Management and Administration) Rules, 2014]

CIN : U65929TN2003PLC050856
Name of the Company : IDFC Bharat Limited
Registered Office : Paripoorna Towers, No.9, Manoranjitham Street
Annamalai Nagar, Trichy – 620 018

Name of the Member(s):
Registered address:
E-mail Id:
Folio No:

I being the Member holding _____ shares of the above named Company, hereby
appoint

1. Name : _____
Address : _____
E-mail Id : _____
Signature : _____; or failing him

2. Name : _____
Address : _____
E-mail Id : _____
Signature : _____.

as my proxy to attend and vote (on a poll) for me and on behalf at the Annual General
Meeting of the Company, to be held _____ and at any adjournment thereof in
respect of such resolutions as are indicated below:

Resol. No	Description	Type of Resolution	Optional	
			For	Against
ORDINARY BUSINESS				
1	To receive, consider and adopt the Audited Balance Sheet of the Company as on March 31, 2018, the Statement of Profit & Loss for the period ended March 31, 2018 and the Reports of the Auditors' and the Board of Directors thereon.	Ordinary		
2	To Declare Dividend	Ordinary		
3	Re-appointment of Mr. Arjun Muralidharan - Retire by Rotation.	Ordinary		
4	Remuneration payable to statutory auditors.	Ordinary		
SPECIAL BUSINESS				
5	Regularizing the appointment of Mr. Ashish Singh (DIN: 01768711) as Nominee Director of the Company.	Ordinary		
6	Remuneration payable to Ms. Shirley D the COO of the Company & holds an office or place of profit.	Ordinary		
7	Remuneration payable to Mr. Satish D the Senior General Manager (Human Resource) of the Company & holds an office or place of profit.	Ordinary		
8	Reappointment of Mr. S. Devaraj as the Executive Chairman (DIN: 01936417) of the Company.	Special		
9	Remuneration payable to Mr. Arjun Muralidharan the Managing Director & CEO (DIN: 02726409) of the Company.	Special		

Signed this _____ day of _____ 2018.

Affix Revenue Stamp

Signature of shareholder(s)

Signature of Proxy holder(s)

Notes:

- 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- 2. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the AGM**

Explanatory Statement under Section 102 of the Companies Act, 2013

ITEM NO. 5

Pursuant to the provisions of Section 161 of and other applicable provisions of the Companies Act, 2013 read with its applicable rules, Articles of Association of the Company and pursuant to the terms of the Share Purchase Agreement dated July 12, 2016 entered into between the Company, IDFC Bank Limited (Holding Company) and Mr. S. Devaraj; Mr. R. Ravi Shankar was appointed as Nominee Director representing IDFC Bank Limited, subsequent to his sudden demise, the Bank Nominated Mr. Ashish Singh in the place of Late Mr. Ravi Shankar. Mr. Ashish Singh (DIN: 01768711) was appointed as an Additional Director in the category of Nominee Director representing IDFC Bank Limited on the Board of the Company w.e.f. January 17, 2018. He holds the office of Director up to the date of this Annual General Meeting.

Mr. Ashish Singh had given his consent to act as a director of the Company pursuant to the Companies Act, 2013 and the rules made thereunder.

Mr. Ashish Singh, if appointed, shall be liable to retire by rotation. He will be paid such fees, profit related commission, if applicable, as the Board and Members may approve from time to time and within the limits as prescribed under the Companies Act, 2013.

A detailed profile of Mr. Ashish Singh along with Directorships and Committee positions held by him in other Companies has been given in the Exhibit to this Notice.

Mr. Ashish Singh is not related with any other Director or Key Managerial Personnel ('KMP') of the Company.

Except Mr. Ashish Singh, none of the Directors, KMP and / or their relatives, are in any way, financial or otherwise, interested or concerned in this resolution.

Your Directors recommend passing of the Ordinary Resolution as set out in Item No. 5 of this Notice.

ITEM NO. 6

The provisions of section 188(1)(f) of the Companies Act, 2013, that govern the related party transactions require a Company to obtain prior approval of the Audit Committee, Board of Directors and shareholders for the related party's appointment to any office or place of profit in the Company. The Board of Directors of the Company on at the meeting held on July 16, 2018 based on the recommendation of the Audit Committee and Nomination & Remuneration Committee, dated April 19, 2018, has approved the remuneration payable to Ms. Shirley the Chief Operating Officer of the Company, subject to approval of the Shareholders by way of an Ordinary Resolution. The details of the remuneration payable to Ms. Shirley is tabled hereunder

Annual Fixed Compensation	: Not Exceeding Rs. 8,360,000/- Per Annum
Annual Bonus	: Rs. 3,900,000/- Per Annum
Perquisites and Allowances	: As per the policy of the Company.

As per section 188(1)(f) of the Companies Act, 2013, your Directors recommend the resolution for your approval.

The Board of Directors recommend passing of the **Ordinary Resolution** as set out in Item No. 6 of this Notice.

Ms. Shirley is the Daughter of Mr. S Devaraj the Executive Chairman of the Company and except the above she is not related with any other Director, Key Managerial Personnel ('KMP') and/ or their relatives.

Mr. S. Devaraj is interested in the resolution relating to remuneration of Ms. Shirley D. Except him, none of the other Directors, KMP and/ or their relatives are, in any way, financial or otherwise, interested or concerned in this resolution.

ITEM NO. 7

The provisions of section 188(1)(f) of the Companies Act, 2013, that govern the related party transactions require a Company to obtain prior approval of the Audit Committee, Board of Directors and shareholders for the related party's appointment to any office or place of profit in the Company. The Board of Directors of the Company on at the meeting held on July 16, 2018, based on the recommendation of the Audit Committee and Nomination & Remuneration Committee, dated April 19, 2018, has approved the remuneration payable to Mr. Satish D, the Senior General Manager (Human Resource) of the Company, subject to approval of the Shareholders by way of an Ordinary Resolution. The details of the remuneration payable to Mr. Satish D is tabled hereunder.

Annual Fixed Compensation : Not Exceeding Rs. 2,600,000/- Per Annum

Annual Bonus : Rs.925,000/- Per Annum

Perquisites and Allowances : As per the policy of the Company.

As per section 188(1)(f) of the Companies Act, 2013, your Directors recommend the resolution for your approval.

The Board of Directors recommend passing of the **Ordinary Resolution** as set out in Item No. 7 of this Notice.

Mr. Satish D is the son of Mr. S Devaraj, the Executive Chairman of the Company and except the above he is not related with any other Director, Key Managerial Personnel ('KMP') and/ or their relatives.

Mr. S. Devaraj is interested in the resolution relating to remuneration of Mr. Satish D. Except him, none of the other Directors, KMP and/ or their relatives are, in any way, financial or otherwise, interested or concerned in this resolution.

ITEM NO. 8

Mr. S. Devaraj has been serving as the Chairman and Managing Director with the Company since May 15, 2003. He was re-designated as Executive Chairman of the Company w.e.f October 13, 2016. Members at the 14th AGM has approved the re-appointment of Mr. S. Devaraj as the Executive Chairman of the Company w.e.f. July 21, 2017 up to October 12, 2018 vide Special Resolution.

Accordingly, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors on July 16, 2018, has approved the re-appointment of Mr. S. Devaraj as the Executive Chairman of the Company w.e.f October 13, 2018 up to March 31, 2019 on the terms and conditions as set out in the resolution no. 8 of this Notice.

Considering the responsibilities handled by Mr. S Devaraj, the Executive Chairman, the Nomination & Remuneration Committee and the Board of the Directors, subject to the approval of the Members, recommended the following remuneration to Mr. S. Devaraj for the financial year 2018- 19 as under:

Annual Fixed Compensation Not Exceeding Rs. 12,320,000/-p.a.

Annual Bonus As may be determined by the Nomination and Remuneration Committee and / or the Board of Directors

Perquisites and Allowances As per the policy of the Company and as may be approved by the Board of Directors after discussion with Mr. S. Devaraj.

Mr. S Devaraj is working in a professional capacity and is not having any interest in the capital of the Company or its holding Company directly or indirectly or through any other statutory structures and not having any, direct or indirect interest or related to the directors or promoters of the Company or its holding company at any time during the last two years before or on or after the date of appointment and possesses graduate level qualification with expertise and specialized knowledge in the field in which the Company operates.

In the opinion of the Board, Mr. S. Devaraj's wide experience of over 35 years in working with the Company would be of immense benefit for the continued effective leadership and functioning of the Board.

Brief profile and other details of Mr. S. Devaraj is provided in the Exhibit to Notice.

Statement pursuant to Schedule V of the Companies Act, 2013 is attached and forms part of this Notice.

Mr. S. Devaraj shall be liable to retirement by rotation during his tenure as the Executive Chairman of the Company.

The Board of Directors recommend passing of the **Special Resolution** as set out in Item No.8 of this Notice.

Mr. S. Devaraj is not related with any other Director, Key Managerial Personnel (' KMP') and/ or their relatives.

Mr. S. Devaraj may be deemed to be concerned or interested in the resolution relating to his appointment and remuneration. Except him, none of the other Directors, KMP and / or their relatives are, in any way, financial or otherwise, interested or concerned in this resolution.

ITEM NO. 9

Mr. Arjun Muralidharan, was the Chief Executive Officer of the Company until October 12, 2016 and consequent to the takeover of 100% paid-up equity share capital of the Company by M/s. IDFC Bank Limited, the Board of Directors of the Company appointed Mr. Arjun Muralidharan as the Managing Director & CEO of the Company for a period of 5 Years w.e.f October 13, 2016.

Further, the Members of the Company, at the Extraordinary General Meeting held on October 13, 2016 approved appointment of Mr. Arjun Muralidharan as the Managing Director & CEO of the Company for a period of 5 years w.e.f October 13, 2016 to October 12, 2021, at a fixed remuneration in the range of Rs.80 Lakhs to Rs. 200 Lakhs per annum.

Considering the responsibilities handled by the Managing Director & CEO, the Nomination & Remuneration Committee and the Board of the Directors, subject to the approval of the Members, recommend an increment in the remuneration of Mr. Arjun Muralidharan w.e.f April 1, 2018 as under:

Annual Fixed Compensation :Not Exceeding Rs. 9,350,000/- per annum

Annual Bonus :As may be determined by the Nomination and Remuneration Committee and / or the Board of Directors

Perquisites and Allowances :As per the policy of the Company and as may be approved by the Board of Directors after discussion with Mr. Arjun Muralidharan.

Mr. Arjun Muralidharan is working in a professional capacity and is not having any interest in the capital of the Company or its holding Company directly or indirectly or through any other statutory structures and not having any, direct or indirect interest or related to the directors or promoters of the Company or its holding company at any time during the last two years before or on or after the date of appointment and possesses graduate level qualification with expertise and specialized knowledge in the field in which the Company operates.

Brief profile and other details of Mr. Arjun Muralidharan is provided in the Exhibit to Notice.

Statement pursuant to Schedule V of the Companies Act, 2013 is attached and forms part of this Notice.

The Board of Directors recommend passing of the ***Special Resolution*** as set out in Item No. 9 of this Notice.

Mr. Arjun Muralidharan is not related with any other Director, Key Managerial Personnel ('KMP') and/ or their relatives.

Mr. Arjun Muralidharan may be deemed to be concerned or interested in the resolution relating to his remuneration. Except him, none of the other Directors, KMP and/ or their relatives are, in any way, financial or otherwise, interested or concerned in this resolution.

Statement pursuant to Schedule V of the Companies Act, 2013 is attached and forms part of this Notice.

The Board of Directors recommend passing of the ***Special Resolution*** as set out in Item No. 9 of this Notice.

Mr. Arjun Muralidharan is not related with any other Director, Key Managerial Personnel ('KMP') and/ or their relatives.

Mr. Arjun Muralidharan may be deemed to be concerned or interested in the resolution relating to his remuneration. Except him, none of the other Directors, KMP and/ or their relatives are, in any way, financial or otherwise, interested or concerned in this resolution.

**By order of the Board
For IDFC BHARAT LIMITED**

**Arjun Muralidharan
MD & CEO
(DIN – 02726409)**

**Place : Trichy
Date : 16/07/2018**

EXHIBIT TO NOTICE

Director Details	Mr. Ashish Singh
Date of Birth	November 28,1976
Age	42
Date of First Appointment on the Board	January 17, 2018
Brief resume, qualification, experiences and nature of expertise in specific functional areas	<p>Ashish Singh, B.E, MBA, is Executive Vice President and part of the leadership team of Bharat Banking, the rural banking business of IDFC Bank. He holds dual responsibility for the business P&L delivery through the branch network and strategic alliances as well as the role of Product Head for the asset business of Bharat Bank.</p> <p>Ashish has over 17 years of experience across the retail banking and financial services sector with particular focus on rural markets. Prior to joining IDFC Bank, Ashish has been associated with key organizations like Fullerton India and ICICI Bank. During his decade long stint at Fullerton India, he was instrumental in the strategic evaluation, inception and growth of the rural business (Gramshakti) for the organization. At the time of leaving Fullerton, Ashish was the General Manager and National Sales & Product Head for Gramshakti. He was leading a 4500 strong team with 275 branches servicing over 1.5 million customers across 50,000 villages in 9 states in India. He was instrumental in developing and evolving the business model at Fullerton which was one of the first successful and profitable multi-product business models across the rural financial services space in India. Apart from profitability, Ashish led his team to drive community building initiatives actively across the villages serviced by their branches and has won prestigious awards for CSR in recognition of the efforts. For his performance, he was also recognized by Temasek Global and was part of their prestigious 'Leaders' Program.</p> <p>Ashish started his financial services career with ICICI Bank, the largest private sector bank in India. He was an active member of the team which was leading the technology led transformation of the retail lending business in India by making credit easily accessible to larger base of customers through</p>

Director Details	Mr. Ashish Singh
	<p>phone based lending. He was also part of the team that led the call center implementation of one of the largest call centers in India in the financial services space at the time.</p> <p>Ashish earned his Post Graduate in Management from Indian Institute of Management, Lucknow and B.E. in Electronics from Mumbai University.</p> <p>Apart from his interest in the rural financial space, he is also a fitness enthusiast and has been a long distance runner, having been a regular at the Mumbai marathon over the last few years.</p>
No. of Board Meetings attended during FY18	02
Directorships held in other companies	ASA International India Micro Finance Limited
Memberships / Chairmanships of Committees of other Boards	<p>ASA International India Micro Finance Limited</p> <p>Remuneration and Nomination Committee - Chairman</p> <p>Risk Management Committee - Member</p> <p>Corporate Social Responsibility Committee - Member</p>
Remuneration last drawn	Not Applicable

EXHIBIT TO NOTICE

Director Details	S. Devaraj	
Date of Birth	09-01-1947	
Age	71	
Date of First Appointment on the Board	15-05-2003	
Brief resume, qualification, experiences and nature of expertise in specific functional areas	<p>Mr. S. Devaraj has completed his Bachelor degree in Science from the St. Joseph's College, Trichy, obtained his Master's Degree from Annamalai University also Completed Diploma in Social Development from the St. Francis Xavier University, Halifax, Canada.</p> <p>He possess "complete knowledge" in the field in which the company's business interest is vested upon.</p> <p>He knew the end-to -end flow of this industry where the company operates and also possess in-depth knowledge at each-and-every stage of business i.e., starting from formulation of top level strategic polices till the execution of action plan at the ground / field level.</p> <p>The modus operandi of the entire business was designed and approved by him, which is at par with any of the international standards.</p>	
No. of Board Meetings attended during FY18	6	
Directorships held in other companies	Private Companies	
	Self Help Enterprises And Livelihood Private Limited	
	Swarnodhayam Credits Private Limited	
	Jothi Publications Private Limited	
	Grama Vidiyal Holdings Private Limited	
	Grama Vidiyal Enterprises Private Limited	
	Dvaita Software Solutions Private Limited	
	Angela Studios Private Limited	
Section 8 Companies		
Credit Opportunities For Rural Enterprises		
Memberships / Chairmanships of Committees of other Boards	Nil	
Remuneration last drawn	Fixed Salary	11,200,000
	Bonus	8,500,000
	Total	19,700,000
Details of Remuneration sought to be paid	Annual Fixed Compensation	12,320,000
	Annual Bonus	As may be determined by NRC and/or Board
Shareholding of Director in IDFC Bharat Limited	Nil	
Relationship with other Directors and KMP of the Bank	Nil	

EXHIBIT TO NOTICE

Director Details	Arjun Muralidharan	
Date of Birth	16-05-1979	
Age	39	
Date of First Appointment on the Board	13-10-2016	
Brief resume, qualification, experiences and nature of expertise in specific functional areas	<p>Mr. Arjun Muralidharan has completed his Bachelor in Technology - Chemical Engineering from the prestigious Indian Institute of Technology, Chennai during the year 2000, along with a Masters in Science in Engineering from the famous University of California, United States of America in the year 2001 and also completed his Management Technology Program in the same year from the same University of California, United States of America.</p> <p>Being a Technocrat, his innovative ideas on usage of state of the art technology in the company and ensuring the fact that the same is implemented from the Board level till grass root level of operations of the company, has received an applause from the entire Board of Directors on tasting the fruits of the said implementation.</p> <p>Being an Managing Director and Chief Executive Officer is answerable to the Board of Directors of the Company and also to the members of the Company, for any failure in achieving the Annual Operating Plan, with proper justifications and proposed course of action to overcome the said failure</p>	
No. of Board Meetings attended during FY18	6	
Directorships held in other companies	Nil	
Memberships / Chairmanships of Committees of other Boards	Nil	
Remuneration last drawn	Fixed Salary	8,500,000
	Bonus	3,500,000
	Total	12,000,000
Details of Remuneration sought to be paid	Annual Fixed Compensation	9,350,000
	Annual Bonus	As may be determined by NRC and/or Board
Shareholding of Director in IDFC Bharat Limited	Nil	
Relationship with other Directors and KMP of the Bank	Nil	

Statement pursuant to Schedule V Part II Section II Proviso iii Item No iv

Particulars	S. Devaraj	
<u>I. General Information's</u>		
Nature of the Industry	The Company is in the business of offering business correspondence services to its direct holding company viz. IDFC Bank Limited. The Company is a pioneer in this kind of business	
Date or expected date of commencement of commercial production	Not applicable, as the company is in existence form 15.05.2003	
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable.	
Financial performance based on given indicators	Particulars	
	Total income	1,77,29,98,576/-
	Net Profit as per Statement P&L (After Tax)	21,25,19,504/-
Foreign investments or collaborations, if any	Nil	
<u>II. Information about the appointee</u>		
Background details	Age, qualifications & Experience: 71 Post Graduate (M.A.) in Annamalai University, Chidambaram and Diploma in Social Development (DSD) with a specialization in credit, savings and rural cooperatives from Coady International Institute (Canada). He has over 34 years of experience in the development and Microfinance sector.	
Past Remuneration	Basic Salary: Not Exceeding Rs. 11,200,000/- P.A .	
	Variable pay : Rs.8,500,000/- P.A.	
	Perquisites and Allowances: As per the policy of the Company	
Recognition or awards	Mr. S. Devaraj was recognise d in various ways throughout his career. Refer Brief profile in Exhibit to Notice	

Job profile and his suitability	Kindly refer Exhibit to Notice
Proposed Remuneration	Annual Fixed Compensation: Not Exceeding Rs. 12,320,000/-P.A .
	Annual Bonus : As may be determined by the NRC and /or Board
	Perquisites and Allowances: As per the policy of the Company
Comparative remuneration profile with respect to industry	Since the Company is the pioneer in the said field and due the absence of direct competitors in the said field, disclosure in this regard is not applicable.
Pecuniary Relationship with the Company	Mr. S. Devaraj was the erstwhile promoter of the Company. Consequent to the acquisition of the Company by IDFC Bank Limited, the proposed appointee has no pecuniary relationship with the Company, directly or indirectly, except to the position he holds as the Executive Chairman of the Company
III. Other information's	
Reasons for inadequate profit	<p>During October 2016, the 100% equity share capital of the Company was acquired by IDFC Bank Limited, pursuant to the share purchase agreement entered by them with the erstwhile promoters and other shareholders. The Company is in the process of incorporating structural and procedural changes at all the levels of the operations which will result in better financial position of the Company in the near future.</p> <p>The company was earlier into the business of Micro financing activities, however consequent to the share purchase agreement entered with IDFC Bank Limited the company has surrendered its NBFC Licence with the RBI and presently engaged only in the business of providing Business Correspondent services to the ultimate holding company IDFC Bank Limited.</p> <p>Consequent to complete change in business activity of the company during the previous financial year the company is not able to achieve the desired level of profit required to pay the present remuneration for the proposed appointee during the current financial year.</p>
Steps taken to improve profitability	The Company is in the process of incorporating structural and procedural changes at all the levels of the operations, which is expected to result in better financial position of the Company in the near future.
Expected increase in productivity and profits in measurable terms	The Company is expecting an increase in productivity and profit of about 10% in the next two years.

Statement pursuant to Schedule V Part II Section II Proviso iii Item No iv

Particulars	Arjun Muralidharan	
<u>I. General Information's</u>		
Nature of the Industry	The Company is in the business of offering business correspondence services to its direct holding company viz. IDFC Bank Limited. The Company is a pioneer in this kind of business	
Date or expected date of commencement of commercial production	Not applicable, as the company is in existence form 15.05.2003	
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable.	
Financial performance based on given indicators	Particulars	
	Total income	1,77,29,98,576/-
	Net Profit as per Statement P&L (After Tax)	21,25,19,504/-
Foreign investments or collaborations, if any	Nil	
<u>II. Information about the appointee</u>		
Background details	Age, qualifications & Experience: 39, He holds a Bachelors degree in chemical engineering from Indian Institute of Technology - Madras and a Masters degree in Industrial Engineering and Operations Research from University of California, Berkeley. He is a SIX SIGMA quality Green Belt Certified professional from GE. He has over 10 years of experience in development and Microfinance sector.	
Past Remuneration	Basic Salary: Not Exceeding Rs. 8,500,000/-P.A.	
	Variable pay : Rs. 3,500,000/- P.A.	
	Perquisites and Allowances: As per the policy of the Company	
Recognition or awards	Mr. Arjun Muralidharan was recognized in various ways throughout his career. Refer Brief profile in Exhibit to Notice.	
Job profile and his suitability	Kindly refer Exhibit to Notice	

Proposed Remuneration	Annual Fixed Compensation: Not Exceeding Rs. 9,350,000/-P.A.
	Annual Bonus : As may be determined by the NRC and/or Board
	Perquisites and Allowances: As per the policy of the Company
Comparative remuneration profile with respect to industry	Since the Company is the pioneer in the said field and due the absence of direct competitors in the said field, disclosure in this regard is not applicable.
Pecuniary Relationship with the Company	Mr. Arjun Muralidharan has no pecuniary relationship with the Company directly or indirectly except to the position he hold as the Managing Director and CEO of the Company
III. Other information's	
Reasons for inadequate profit	<p>During October 2016, the 100% equity share capital of the Company was acquired by IDFC Bank Limited, pursuant to the share purchase agreement entered by them with the erstwhile promoters and other shareholders. The Company is in the process of incorporating structural and procedural changes at all the levels of the operations which will result in better financial position of the Company in the near future.</p> <p>The Company was earlier into the business of Micro financing activities, however consequent to the share purchase agreement entered with IDFC Bank Limited the company has surrendered its NBFC Licence with the RBI and presently engaged only in the business of providing Business Correspondent services to the ultimate holding company IDFC Bank Limited.</p> <p>Consequent to complete change in business activity of the company during the previous financial year the company is not able to achieve the desired level of profit required to pay the present remuneration for the proposed appointee during the current financial year.</p>
Steps taken to improve profitability	The Company is in the process of incorporating structural and procedural changes at all the levels of the operations, which is expected to result in better financial position of the Company in the near future.
Expected increase in productivity and profits in measurable terms	The Company is expecting an increase in productivity and profit of about 10% in the next two years.