



IDFC FIRST Bharat Limited

(formerly IDFC Bharat Limited)

CIN: U65929TN2003PLC050856

Registered Office: No. 9, Paripoorna Towers, Manoranjitham Street,
Annamalai Nagar, Trichy 620 018

Email: sampark@idfcbbharat.com **Website:** www.idfcbbharat.com

Tel: +91 431 4500000 **Fax:** +91 431 2750393

NOTICE is hereby given that the Sixteenth Annual General Meeting ('AGM') of the Members of IDFC FIRST Bharat Limited will be held on Wednesday, July 24, 2019 at 10:00 a.m. at registered office of the Company situated at no. 9, Paripoorna Towers, Manoranjitham street, Annamalai Nagar, Trichy 620 018 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as on March 31, 2019, the Statement of Profit and Loss and Cash Flow Statement for the for the financial year ended March 31, 2019 and the Reports of the Statutory Auditors' and the Board of Directors there on.
2. To appoint a director in place of Mr. Ashish Singh (DIN: 01768711), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. APPOINTMENT OF MR. NARASIMHAN SESHADRI (DIN: 03486485) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

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 149, 150, 152, 160, 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, read with Schedule IV to the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the Articles of Association of the Company, Mr. Narasimhan Seshadri (DIN: 03486485), who was appointed as an Additional Director of the Company in the category of Independent Director with effect from May 3, 2019, by the Board of Directors of the Company pursuant to Section 161(1) of the Companies Act, 2013,

and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of Five (5) consecutive years effective from May 3, 2019 up to May 02, 2024, who is not liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Narasimhan Seshadri be paid such fees, profit related commission and remuneration 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, and other applicable law.

RESOLVED FURTHER THAT the Board of Directors of the Company and the 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."

4. ANNUAL BONUS PAYABLE TO MS. SHIRLEY D, CHIEF OPERATING OFFICER OF THE COMPANY, FOR HOLDING AN OFFICE OR PLACE OF PROFIT, FOR THE FINANCIAL YEAR 2018-19.

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, including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time, and on recommendation of the Audit Committee and Nomination & Remuneration Committee and approval of Board of Directors of the Company, the consent of the Members be and is hereby accorded for the payment of Rs. 39,00,000/- (Rupees Thirty Nine Lakhs only) as Annual Bonus for the financial year 2018-19 to Ms. Shirley (daughter of Dr. S. Devaraj, former Executive Chairman of the Company), holding an office or place of profit, as Chief Operating Officer of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company and the 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."

5. ANNUAL BONUS PAYABLE TO MR. SATISH D, SENIOR GENERAL MANAGER (HUMAN RESOURCE) OF THE COMPANY, FOR HOLDING AN OFFICE OR PLACE OF PROFIT, FOR THE FINANCIAL YEAR 2018-19.

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, (including any statutory modification(s) or re-enactment thereof for the time being in force) and as may be enacted from time to time, and on recommendation of the Audit Committee and Nomination & Remuneration Committee and approval of Board of Directors of the Company, the consent of the Members be and is hereby accorded for the payment of Rs. 10,00,000/- (Rupees Ten Lakhs only) as Annual Bonus for the financial year 2018-19 to Mr. Satish D (Son of Dr. S. Devaraj, former Executive Chairman of the Company), holding an office or place of profit, as Senior General Manager (Human Resource) of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company and the 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. ANNUAL BONUS AND EX-GRATIA PAYABLE TO DR. S. DEVARAJ, FORMER EXECUTIVE CHAIRMAN OF THE COMPANY FOR THE FINANCIAL YEAR 2018-19.

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, and on recommendation of the Audit Committee and Nomination & Remuneration Committee and approval of Board of Directors of the Company, consent of the Members be and is hereby accorded for payment of Annual Bonus of Rs.1,22,40,000/- (Rupees One Crore Twenty Two Lakhs Forty Thousand Only) for the financial year 2018-19 and an Ex-gratia payment of Rs. 50,00,000/- (Rupees Fifty Lakhs Only) to Dr. S. Devaraj (DIN - 01936417), the former Executive Chairman of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolution, the Board of Directors of the Company 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."

7. ANNUAL BONUS PAYABLE TO MR. ARJUN MURALIDHARAN, MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER OF THE COMPANY FOR THE FINANCIAL YEAR 2018-19.

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, and on recommendation of the Audit Committee and Nomination & Remuneration Committee and approval of Board of Directors of the Company, consent of the Members be and is hereby accorded for payment of Annual Bonus of Rs. 46,75,000/- (Rupees Forty Six Lakhs Seventy Five Thousand only) to Mr. Arjun Muralidharan (DIN 02726409), Managing Director & Chief Executive Officer of the Company for the financial year 2018-19."

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolution, the Board of Directors of the Company 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."

8. REMUNERATION PAYABLE TO MR. ARJUN MURALIDHARAN, MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER OF THE COMPANY FOR THE FINANCIAL YEAR 2019-20.

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, and on recommendation of the Audit Committee and Nomination & Remuneration Committee and approval of Board of Directors of the Company, consent of the Members be and is hereby accorded for revision in remuneration payable to Mr. Arjun Muralidharan (DIN - 02726409) the Managing Director and Chief Executive Officer of the Company with effect from April 1, 2019 detailed as under:

- | | |
|--------------------------------------|---|
| I. Term: | From October 13, 2016 up to October 12, 2021 as the Managing Director and Chief Executive Officer of the Company. |
| II. Annual Fixed Compensation | Not Exceeding Rs. 1,02,85,000/- per annum. |

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|---------------------------------------|---|
| III. Annual Bonus | Will be decided by the Board/ Nomination and Remuneration Committee at the end of the financial year based on performance. |
| 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 herein above, shall be paid to Mr. Arjun Muralidharan as minimum remuneration 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 of Directors of the Company 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 MS. SHIRLEY D, CHIEF OPERATING OFFICER 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, (including any statutory modification(s) or re-enactment thereof for the time being in force) and as may be enacted from time to time, and on recommendation of the Audit Committee and Nomination & Remuneration Committee and approval of Board of Directors of the Company, consent of the Members be and is hereby accorded for revision in remuneration payable to Ms. Shirley (daughter of Dr. S. Devaraj, former Executive Chairman of the Company), holding an office or place of profit, as Chief Operating Officer of the Company, with effect from April 1, 2019 detailed as under:

Annual Fixed Compensation: Not Exceeding Rs. 91,96,000/- Per Annum

Annual Bonus : Will be decided by the Board / Nomination and Remuneration Committee at the end of the financial year based on the performances.

Perquisites and Allowances: As per the policy of the Company

RESOLVED FURTHER THAT the consent of the Members be and is hereby accorded to authorize the Nomination & Remuneration Committee/Board of Directors of the Company, to finalize 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 the Board of Directors of the Company and the 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."

10. REMUNERATION PAYABLE TO MR. SATISH D, 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, (including any statutory modification(s) or re-enactment thereof for the time being in force) and as may be enacted from time to time, and on recommendation of the Audit Committee and Nomination & Remuneration Committee and approval of Board of Directors of the Company, the consent of the Members be and is hereby accorded for remuneration payable for Mr. Satish D (Son of Dr. S. Devaraj, former Executive Chairman of the Company), holding an office or place of profit, as Senior General Manager (Human Resource) of the Company, with effect from April 1, 2019 detailed as under:

Annual Fixed Compensation: Not Exceeding Rs. 29,90,000/- Per Annum
Will be decided by the Board / Nomination and Remuneration Committee at the end of the financial year based on the performances.

Annual Bonus :

Perquisites and Allowances: As per the policy of the Company

RESOLVED FURTHER THAT the consent of the Members be and is hereby accorded

to authorize 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 Board of Directors of the Company and the 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.”

**By order of the Board
For IDFC FIRST Bharat Limited**

**BOBY XAVIER
COMPANAY SECRETARY**

**Place : Mumbai
Date : May 03, 2019.**

NOTES:

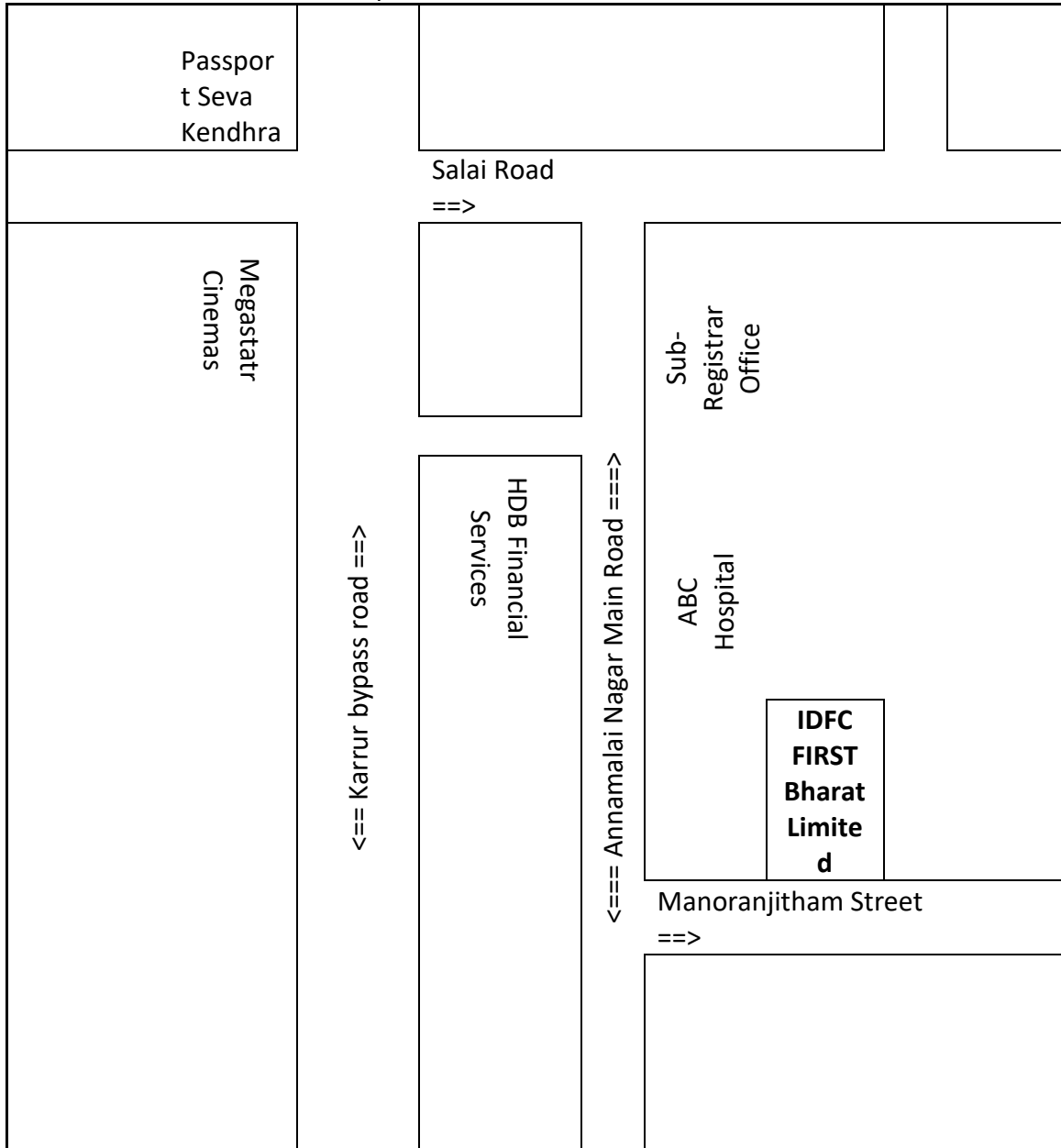
1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member of the Company.
2. Proxies in order to be effective should be duly completed, stamped and signed and must be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
3. 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.
4. The meeting can be convened at a shorter notice, after obtaining the written consent, from the majority in number of Members entitled to vote and who represent not less than 95% of such part of the paid-up share capital of the Company as gives a right to vote at the meeting pursuant to provisions of Section 101 of Companies Act, 2013, effective for the time being in force.
5. The Special Resolution shall be declared as passed if the number of votes cast in favor of the Special Resolution are not less than three-fourth times the number of votes cast against the Special Resolution.
6. Corporate Members intending to send their authorized representative(s) 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.
7. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Businesses to be transacted at the Meeting is annexed hereto.
8. 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 and Sundays (including Public Holidays), during business hours i.e., from 11:00 a.m. to 4:00 p.m. up to the date of the Meeting.
9. Members/Proxies are requested to bring the Attendance Slip(s) duly filled in at the Meeting venue.

10. The route map for the venue of the meeting is as below:

Meeting Venue: No. 9, Paripoorna Towers, Manoranjitham Street, Annamalai Nagar, Trichy 620 018

Meeting Date and Time: July 24, 2019 at 10:00 A.M.

Landmark: Near ABC Hospital



Explanatory Statement under Section 102 of the Companies Act, 2013,

ITEM NO. 3

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors of the Company had appointed Mr. Narasimhan Seshadri (DIN: 03486485) as an Additional Director in the category of Independent Director of the Company for a period of Five (5) consecutive years effective from May 03, 2019 up to May 02, 2024 as per the requirements of Companies Act, 2013, ("Act") read with Rules thereunder, read with Schedule IV to the Act and applicable law. Pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company, Mr. Narasimhan Seshadri will hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing under the provisions of Section 160 of the Act from a Member, proposing the candidature of Mr. Narasimhan Seshadri for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Act.

The Company has received from Mr. Narasimhan Seshadri, consent in writing to act as a Director, a declaration that he is not disqualified to act as a Director under Section 164 of the Act and also declaration to the effect that he meets the criteria of Independence as prescribed under Section 149 of the Act.

In the opinion of the Board, he fulfils the conditions specified in the Act and the Rules framed thereunder for appointment as an Independent Director and he is Independent of the Management.

In the opinion of the Board, Mr. Narasimhan Seshadri is a person of integrity and has the necessary knowledge, experience and expertise for being appointed as an Independent Director. A detailed profile of Mr. Narasimhan Seshadri along with Directorships and Committee positions held by him in other Companies has been given in the Exhibit to this Notice.

Mr. Narasimhan Seshadri is proposed to be appointed as an Independent Director for a period of Five (5) consecutive years effective from May 03, 2019 up to May 02, 2024 and he shall not be liable to retire by rotation as per the provisions of the Act and other applicable laws. He shall be entitled to such fees, profit related commission and remuneration as the Board and Members may approve from time to time and within the limits as prescribed under the Act.

Additional information of aforesaid Director with respect to his appointment as Non-Executive Independent Director as required to be provided under Secretarial Standards is annexed to this Notice.

Except Mr. Narasimhan Seshadri, being an appointee, none of the Directors, Key Managerial Personnel (KMP) and / or their relatives, is 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.3 of this Notice.

ITEM NO. 4

The provisions of Section 188 of the Companies Act, 2013, which governs the transaction with a related party, mandates the prior approval of the Audit Committee, Board of Directors and shareholders for the appointment to any office or place of profit in the Company. However, if the transactions is entered without obtaining the consent of the Board of Directors /Members at a General Meeting such transactions shall be ratified by the Board or, member as the case may be, within three months from the date on which such contract or arrangement was entered into, such contract or arrangement.

The Members of the Company at the previous Annual General Meeting has approved the remuneration package to Ms. Shirley the Chief Operating Officer of the Company and relative of Dr. S. Devaraj the Executive Chairman of the Company (at the time of the approval by Members). The Members approved the annual fixed component applicable to Ms. Shirely D and authorized the Board and / or NRC to fix the Annual Bonus component based on the performance of the Company for the financial year 2018-19. Accordingly, the Board of Directors of the Company on at the meeting held on March 27, 2019 based on the recommendation of the Audit Committee and NRC, dated March 27, 2019, has approved Rs. 39,00,000/- (Rupees Thirty Nine Lakhs only) as Annual Bonus for the financial year ended March 31, 2019.

Now the said transaction is presented to the Members for ratification and approval as per section 188 of the Companies Act, 2013. The Board of Directors recommend passing of the **Ordinary Resolution** as set out in Item No. 4 of this Notice.

Ms. Shirley D, is the Daughter of Dr. S Devaraj, the former Executive Chairman of the Company and except the above she is not related with any other Director, KMP and/ or their relatives.

ITEM NO. 5

The provisions of Section 188 of the Companies Act, 2013, which governs the transaction with a related party, mandates the prior approval of the Audit Committee, Board of Directors and shareholders for the appointment to any office or place of profit in the Company. However, if the transactions is entered without obtaining the consent of the Board of Directors /Members at a General Meeting such transactions shall be ratified by the Board or, member as the case may be, within three months from the date on which such contract or arrangement was entered into, such contract or arrangement.

The Members of the Company at the previous Annual General Meeting has approved the remuneration package to Mr. Satish D, the Senior General Manager (Human Resource) of the Company and relative of Dr. S. Devaraj, Executive Chairman of the Company (at the time of the approval by Members). The Members approved the annual fixed component applicable to Mr. Satish D, and authorized the Board and / or NRC to fix the Annual Bonus component based on the performance of the Company for the financial year 2018-19. Accordingly, the Board of Directors of the Company at the meeting held on March 27, 2019 based on the recommendation of the Audit Committee and Nomination & Remuneration Committee, dated March 27, 2019, has approved the Rs. 10,00,000/- (Rupees Ten Lakhs only) as Annual Bonus for the financial year ended March 31, 2019.

Now the said transactions is presented to the Members for ratification and approval as per section 188 of the Companies Act, 2013, The Board of Directors recommend passing of the **Ordinary Resolution** as set out in Item No. 5 of this Notice.

Mr. Satish D is the son of Dr. S. Devaraj, the former Executive Chairman of the Company and except the above he is not related with any other Director, KMP and/ or their relatives.

ITEM NO. 6

The provisions of Section 188 of the Companies Act, 2013, which governs the transaction with a related party, mandates the prior approval of the Audit Committee, Board of Directors and shareholders for the payments made to the Executive Chairman of the Company. However, if the transactions entered without obtaining the consent of the Board /Members at a General Meeting such transactions shall be ratified by the Board or, member as the case may be, within three months from the date on which such contract or arrangement was entered into, such contract or arrangement.

Dr. S. Devaraj, has served as the Chairman and Managing Director with the Company since May 15, 2003. He was re-designated as Executive Chairman of the Company with effect from October 13, 2016. Members at the 15th AGM has approved the re-appointment of Dr. S. Devaraj, as the Executive Chairman of the Company with effect from October 12, 2018 to March 31, 2019 and approved the remuneration payable to him by passing a Special Resolution.

The remuneration payable to Dr. S. Devaraj, consists of two components viz., Annual Fixed Compensation and Annual Bonus. The Members has approved the Annual Fixed Compensation and authorized the Board and / or NRC to decide the Annual Bonus based on the performance of the Company.

Considering the increase in sales figures, and profitability of the Company, the Board of Directors of the Company after taking into account the recommendations of the Audit Committee and the Nomination and Remuneration Committee of the Company in this regard had approved Rs. 12,240,000/- (Rupees One Crore Twenty Two Lakhs Forty

Thousand Only) as Annual Bonus and Rs. 50,00,000/- (Rupees Fifty Lakhs Only) as Ex-Gratia Payment consequent to his cessation as the Executive Chairman of the Company.

Dr. S. Devaraj, worked in his professional capacity and is not having any interest in the Share 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 Dr. 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.

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

Dr. S. Devaraj, is not related with any other Director, KMP and/ or their relatives.

ITEM NO. 7

The provisions of Section 188 of the Companies Act, 2013, which governs the transaction with a related party, mandates the prior approval of the Audit Committee, Board of Directors and shareholders for the payments made to the Key Managerial Personal of the Company. However, if the transactions are entered without obtaining the consent of the Board /Members at a General Meeting, such transactions shall be ratified by the Board or, member as the case may be, within three months from the date on which such contract or arrangement was entered into, such contract or arrangement.

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 FIRST Bank Limited (formerly known as IDFC Bank Limited), the Board of Directors of the Company appointed Mr. Arjun Muralidharan, as the Managing Director & Chief Executive Officer of the Company for a period of 5 Years with effect from 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 (DIN: 02726409) as the Managing Director & Chief Executive Officer of the Company for a period of 5 years with effect from October 13, 2016 to October 12, 2021, at a fixed remuneration in the

range of Rs.80 Lakhs to Rs. 200 Lakhs (Rupees Eighty Lakhs to Rupees Two Hundred Lakhs) per annum.

Members at the 15th AGM by passing a Special Resolution has approved the remuneration payable to Mr. Arjun Muralidharan consist of two components viz., Annual Fixed Compensation and Annual Bonus. The Members has approved the Annual Fixed Compensation and authorized the Board and / or NRC to decide the Annual Bonus based on the performance of the Company.

Considering the increase in sales figures, and profitability of the Company the Board of Directors of the Company after taking into account the recommendations of the Audit Committee and the Nomination and Remuneration Committee of the Company in this regard had approved the Rs. 46,75,000/- (Rupees Forty Six Lakhs Seventy Five Thousand only) as Annual Bonus payable to the him for the financial year ended March 31, 2019.

Mr. Arjun Muralidharan is working in his 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. 7 of this Notice.

Mr. Arjun Muralidharan is not related with any other Director, 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.

ITEM NO. 8

The provisions of Section 188 of the Companies Act, 2013, which governs the transaction with a related party, mandates the prior approval of the Audit Committee, Board of

Directors and shareholders for the payments made to the Key Managerial Personal of the Company.

Mr. Arjun Muralidharan (DIN: 02726409), 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 FIRST Bank Limited (*formerly known as IDFC Bank Limited*), the Board of Directors of the Company appointed Mr. Arjun Muralidharan, as the Managing Director & Chief Executive Officer of the Company for a period of 5 Years with effect from 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 & Chief Executive Officer of the Company for a period of 5 years with effect from October 13, 2016 to October 12, 2021, at a fixed remuneration in the range of Rs. 80 Lakhs to Rs. 200 Lakhs (Rupees Eighty Lakhs to Rupees Two Hundred Lakhs) per annum.

Considering the responsibilities handled by the Managing Director & Chief Executive Officer, the NRC and the Board of the Directors, subject to the approval of the Members, recommend an increment in the remuneration of Mr. Arjun Muralidharan with effect from April 1, 2019 as under:

Annual Fixed Compensation	:Not Exceeding Rs. 1,02,85,000/- per annum
Annual Bonus	:Will be decided by the Board/ NRC at the end of the financial year based on performance
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. 8 of this Notice.

Mr. Arjun Muralidharan is not related with any other Director, 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.

ITEM NO. 9

The provisions of Section 188 of the Companies Act, 2013, which governs the transaction with a related party, mandates the prior approval of the Audit Committee, Board of Directors and shareholders for the appointment to any office or place of profit in the Company. However, if the transaction is entered without obtaining the consent of the Board /Members at a General Meeting such transactions shall be ratified by the Board or, member as the case may be, within three months from the date on which such contract or arrangement was entered into, such contract or arrangement.

The Board of Directors of the Company on at the meeting held on Mach 27, 2019 based on the recommendation of the Audit Committee and Nomination & Remuneration Committee, dated March 27, 2019, 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 for the financial year 2019-20 is tabled hereunder:

Annual Fixed Compensation	: Not Exceeding Rs. 91,96,000/- Per Annum
Annual Bonus	: will be decided by the Board / NRC at the end of the financial year based on the performance
Perquisites and Allowances	: As per the policy of the Company.

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

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

ITEM NO. 10

The provisions of Section 188 of the Companies Act, 2013, which governs the transaction with a related party, mandates the prior approval of the Audit Committee, Board of Directors and shareholders for the appointment to any office or place of profit in the Company. However, if the transactions is entered without obtaining the consent of the Board /Members at a General Meeting such transactions shall be ratified by the Board or, member as the case may be, within three months from the date on which such contract or arrangement was entered into, such contract or arrangement.

The Board of Directors of the Company on at the meeting held on March 27, 2019, based on the recommendation of the Audit Committee and Nomination & Remuneration Committee, dated March 27, 2019, 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. 29,90,000/- Per Annum.
Annual Bonus	: will be decided by the Board / NRC at the end of the financial year based on the performance.
Perquisites and Allowances	: As per the policy of the Company.

The Board of Directors recommend passing of the **Ordinary Resolution** as set out in Item No. 10 of this Notice.

Mr. Satish D is the son of Dr. S. Devaraj, the former Executive Chairman of the Company and except the above he is not related with any other Director, KMP and/ or their relatives.

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

**BOBY XAVIER
COMPANY SECRETARY**

**Place : Mumbai
Date : 03/05/2019**

EXHIBIT TO NOTICE

Name of the Director	Mr. Narasimhan Seshadri														
DIN	03486485														
Date of Birth	April 30, 1953														
Age	66 years														
Nationality	Indian														
Date of First Appointment on the Board	May 03, 2019														
Brief resume, qualification, experiences and nature of expertise in specific functional areas	<ul style="list-style-type: none"> ✓ Mr. Narasimhan Seshadri is a Post Graduate in Management. ✓ He is also Certified Associate of Indian Institute of Bankers. ✓ He was wholetime director of Bank of India. ✓ He also served as General Manager with Canara Bank. 														
No. of Board Meetings attended during the financial year 2019-20 (till the date of Notice)	01														
Remuneration last drawn	Till the date of Notice, the Company paid a Sitting Fee Rs. 50,000/- for attending Board Meeting held on May 03, 2019.														
Details of Remuneration sought to be paid	Sitting Fees of Rs. 50,000/- per Board Meeting and Rs. 25,000/- per Committee Meeting														
Shareholding of Director in IDFC FIRST Bharat Limited	Nil														
Relationship with other Directors & KMP's of the Company	Nil														
Directorships held in other companies (except Foreign Companies)	<table border="1"> <thead> <tr> <th>Sr. No.</th> <th>Name of the Company</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>MEDREICH LIMITED</td> <td>Non Executive Independent Director</td> </tr> <tr> <td>2</td> <td>ADCOCK INGRAM LIMITED</td> <td>Non Executive Independent Director</td> </tr> <tr> <td>3</td> <td>UTI ASSET MANAGEMENT COMPANY LIMITED</td> <td>Non Executive Independent Director</td> </tr> </tbody> </table>			Sr. No.	Name of the Company	Designation	1	MEDREICH LIMITED	Non Executive Independent Director	2	ADCOCK INGRAM LIMITED	Non Executive Independent Director	3	UTI ASSET MANAGEMENT COMPANY LIMITED	Non Executive Independent Director
Sr. No.	Name of the Company	Designation													
1	MEDREICH LIMITED	Non Executive Independent Director													
2	ADCOCK INGRAM LIMITED	Non Executive Independent Director													
3	UTI ASSET MANAGEMENT COMPANY LIMITED	Non Executive Independent Director													
Memberships / Chairmanships of Committees of other Boards (except Foreign Companies)	<table border="1"> <thead> <tr> <th>Sr. No.</th> <th>Company Name</th> <th>Risk Management Committee</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>MEDREICH LIMITED</td> <td>-</td> </tr> <tr> <td>2</td> <td>ADCOCK INGRAM LIMITED</td> <td>-</td> </tr> <tr> <td>3</td> <td>UTI ASSET MANAGEMENT COMPANY LIMITED</td> <td>C</td> </tr> </tbody> </table> <p>M-Member C-Chairman</p>			Sr. No.	Company Name	Risk Management Committee	1	MEDREICH LIMITED	-	2	ADCOCK INGRAM LIMITED	-	3	UTI ASSET MANAGEMENT COMPANY LIMITED	C
Sr. No.	Company Name	Risk Management Committee													
1	MEDREICH LIMITED	-													
2	ADCOCK INGRAM LIMITED	-													
3	UTI ASSET MANAGEMENT COMPANY LIMITED	C													

EXHIBIT TO NOTICE

Director Details	S. Devaraj	
Date of Birth	09-01-1947	
Age	72	
Date of First Appointment on Board	15-05-2003	
Brief resume, qualification, experiences and nature of expertise in specific functional areas	<p>Dr. 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 financial year 2018-19	4/5	
Directorships held in other companies (except Foreign 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 (except Foreign Companies)	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

Director Details	S. Devaraj
Shareholding of Director in IDFC FIRST Bharat Limited	Nil
Relationship with other Directors and KMP	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 FIRST 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	Amount In INR in Lks
	Total income	26,198
	Net Profit as per Statement P&L (After Tax)	3,633
Foreign investments or collaborations, if any	Nil	
<u>II. Information about the appointee</u>		
Background details	Age, qualifications & Experience: 72 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. 12,320,000/- P.A .
	Variable pay : As may be determined by the NRC and /or Board
	Perquisites and Allowances: As per the policy of the Company
Recognition or awards	Dr. S. Devaraj was recognised 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 : Rs. 12,240,000/-
	Ex-gratia Payment: Rs. 5,000,000/-
	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 to the absence of direct competitors in the said field, disclosure in this regard is not applicable.
Pecuniary Relationship with the Company	Dr. S. Devaraj was the erstwhile promoter of the Company. Consequent to the acquisition of the Company by IDFC FIRST 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 FIRST 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 FIRST 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 FIRST 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 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 FIRST 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	Amount In INR in Lks
	Total income	26,198
	Net Profit as per Statement P&L (After Tax)	3,633
Foreign investments or collaborations, if any	Nil	
<u>II. Information about the appointee</u>		
Background details	Age, qualifications & Experience: 40, He holds a Bachelor's degree in chemical engineering from Indian Institute of Technology - Madras and	

	a Master's 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	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
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. 10,285,000/-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 Chief Executive Officer 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 FIRST 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 FIRS 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 FIRST 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 in the next two years.

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 FIRST 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, 2019, the Statement of Profit and Loss and Cash Flow Statement for the for the financial year ended March 31, 2019 and the Reports of the Statutory Auditors' and the Board of Directors thereon.	Ordinary		
2	To appoint a director in place of Mr. Ashish Singh, who retires by rotation and being eligible, offers himself for re-appointment.	Ordinary		
SPECIAL BUSINESS				
3	Appointment of Mr. Narasimhan Seshadri (DIN: 03486485) as an Independent Director of the Company.	Ordinary		
4	Approval for payment of Annual Bonus to Ms. Shirley D, Chief Operating Officer of the Company, for holding an office or place of profit, for the financial year 2018-19.	Ordinary		
5	Approval for payment of Annual Bonus to Mr. Satish D, Senior General Manager (Human Resource) of the Company, for holding an office or place of profit, for the financial year 2018-19.	Ordinary		
6	Approval for payment of Annual Bonus and Ex-Gratia to Dr. S. Devaraj as the former Executive Chairman (DIN: 01936417) of the Company, for the financial year 2018-19.	Special		
7	Approval for payment of Annual Bonus to Mr. Arjun Muralidharan, Managing Director & Chief Executive Officer (DIN: 02726409) of the Company, for the financial year 2018-19.	Special		
8	Approval for payment of remuneration to Mr. Arjun Muralidharan, Managing Director & Chief Executive Officer (DIN: 02726409) of the Company.	Special		
9	Approval for payment of remuneration to Ms. Shirley D, Chief Operating Officer, for holding an office or place of profit in the Company, for the FY 2019-20.	Ordinary		

Resol. No	Description	Type of Resolution	Optional	
			For	Against
10	Approval for payment of remuneration to Mr. Satish D, Senior General Manager (Human Resource), for holding an office or place of profit in the Company, for the financial year 2019-20.	Ordinary		

Signed this _____ day of _____ 2019.

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**