



THE FEDERAL BANK LIMITED

CIN: L65191KL1931PLC000368

Federal Towers, P O Box No.103, Aluva, Kerala - 683 101, India.

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NOTICE TO SHAREHOLDERS

Notice is hereby given that Ninety Second Annual General Meeting (AGM) of the members of The Federal Bank Limited will be held on Friday, August 18, 2023, at 11 a.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESSES

1. To receive, consider and adopt,
 - a. the Standalone Audited Financial Statement of the Bank for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon.
 - b. the Consolidated Audited Financial Statement of the Bank for the financial year ended March 31, 2023, together with the Report of the Auditors thereon.
2. To declare a final dividend of Rs. 1.00 per equity share of Rs.2/- each for the Financial Year ended March 31, 2023.
3. To appoint a director in place of Mr. Shyam Srinivasan (DIN: 02274773), who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Joint Statutory Auditors and to fix their remuneration.

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

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any and the provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the rules, guidelines and circulars issued by the Reserve Bank of India ("RBI"), from time to time and in terms of their confirmation with regard to their eligibility to be appointed as Statutory Auditors pursuant to Section 141 of the Companies Act, 2013 and applicable rules and as per the approval granted by RBI, Members of the Bank be and hereby appoint M/s. Suri & Co, Chartered Accountants (Registration No. 004283S), Chennai for a period of three (3) years together with M/s. MSKA & Associates, Chartered Accountants (Registration No. 105047W), Mumbai as Joint Statutory Auditors of the Bank from the conclusion of 92nd AGM till the conclusion of 95th AGM on such terms and conditions, including remuneration, as may be approved by the Board or Audit Committee of the Board of the Bank, subject to the approval of the RBI every year.

Special Businesses

5. To take on record RBI approval for appointment of Mr. A P Hota (DIN: 02593219) as Part- Time Chairman of the Bank and to approve his remuneration.

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

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 (the 'Act') and the rules made thereunder, Section 10B and other applicable provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), and the rules, circulars and guidelines issued by the Reserve Bank of India, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to the provisions of the Articles of Association of the Bank, and the approval granted by the Reserve Bank of India ('RBI') vide letter DoR.GOV.No.1676/08.38.001/2023-24 dated June 26, 2023, members of the Bank be and are hereby take on record the approval received from RBI including the terms of appointment of Mr. A P Hota (DIN: 02593219) as Part-Time Chairman of the Bank with effect from June 29, 2023, till January 14, 2026, and approve the payment of remuneration of Rs. 25,00,000/- (Rupees Twenty Five lakhs only) per annum to Mr. A P Hota”.

6. Appointment of Mr. Harsh Dugar, Group President & Country Head- Wholesale Banking (DIN: 00832748) as an Executive Director of the Bank (KMP)

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

“RESOLVED THAT pursuant to the provisions of Section 152, 196, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as 'the Act') read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the other relevant Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) along with Section 10A, 35B and other applicable provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the rules, circulars and guidelines issued by the Reserve Bank of India ('RBI') in this regard from time to time and the applicable Regulations under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and the Articles of Association ("Articles") of The Federal Bank Ltd. (hereinafter referred to as "the Bank"), as recommended by Nomination, Remuneration, Ethics and Compensation Committee and Board and as per the approval granted by the RBI vide its letter no. DoR.GOV.No.1627/08.38.001/2023-24 dated June 22, 2023, Mr. Harsh Dugar, Group President & Country Head- Wholesale Banking (DIN: 00832748) who was appointed as an Additional Executive Director (Key Managerial Personnel) with effect from June 23, 2023, in terms of Section 161(1) of the Act and whose term of office expires at the Annual General Meeting, in respect of whom the Bank has received a notice in writing from a member proposing his candidature for the office of Director in terms of Section 160 of the Act, be and is hereby appointed as an Executive Director of the Bank (Key Managerial Personnel), for a period of three years with effect from June 23, 2023, on such remuneration, terms and conditions as detailed in the explanatory statement to this notice.”

“RESOLVED FURTHER THAT consent of the members of the Bank be and is hereby accorded for payment of variable pay comprising of Cash and Non-cash Components at the end of each financial year, which is linked to Organizational Performance and Individual Performance, determined by Nomination, Remuneration, Ethics and Compensation Committee, Board of Directors and as may be approved by RBI, to Mr. Harsh Dugar, during his tenure as Executive Director (KMP) of the Bank.”

“RESOLVED FURTHER THAT the Board of Directors of the Bank be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to any Committee of Board of Directors of the Bank and/ or director(s) and/ or Executives of the Bank or any Committee of the Executives of the Bank to give effect to the aforesaid resolution.”

7. Payment of Performance Linked Incentive to Mr. Ashutosh Khajuria (DIN: 05154975), Executive Director (Retired)

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

“RESOLVED THAT in terms of Section 35B, other applicable provisions of the Banking Regulation Act, 1949 and applicable provisions of the Companies Act, 2013 and subject to the approval of RBI, the payment of performance linked incentive of ₹ 28,25,000/- (Rupees Twenty Eight Lakhs Twenty Five Thousand only) to Mr. Ashutosh Khajuria for the performance period 2022-23 be and is hereby approved.”

8. Payment of Compensation by way of Fixed Remuneration to Non-Executive Directors (excluding the Non-Executive Part-time Chairman)

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

“RESOLVED THAT in supersession of the earlier resolution passed by the Members of The Federal Bank Limited (the ‘Bank’) at the 86th Annual General Meeting held on July 14, 2017 approving the payment of profit related commission to the Non-Executive/ Independent Directors (other than Part Time Chairman) of the Bank and pursuant to the relevant provisions of Sections 197 and 198 and other applicable provisions, if any, of the Companies Act, 2013, as amended, read with the relevant Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the applicable provisions, if any, of the Banking Regulation Act, 1949, as amended, the circular issued by the Reserve Bank of India (the “RBI”) having reference no. RBI/2021-22/24 DoR.GOV.REC.8/29.67.001/2021-22 dated 26 April, 2021 on Corporate Governance in Banks - Appointment of Directors and Constitution of Committees of the Board, and the various circulars and guidelines issued by the RBI, in this regard, from time to time, any other applicable laws (including any statutory amendment(s), modification(s), variation(s) or re- enactment(s) thereto, for the time being in force) and the provisions of the Articles of Association of the Bank, the consent of the Members of the Bank be and is hereby accorded for the payment of compensation to each of the Non-Executive/Independent Directors (other than the Non-Executive Part Time Chairman) of the Bank, by way of fixed remuneration of Rs 20,00,000/- (Rupees Twenty Lakh Only) per annum which is commensurate with the individual director’s responsibilities and demands on time, with effect from the FY 2022-23.”

“RESOLVED FURTHER THAT the aforementioned remuneration shall be in addition to the sitting fees payable to the Non-Executive/Independent Directors for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors of the Bank and reimbursement of expenses for participation in the Board and other meetings.”

“RESOLVED FURTHER THAT the Board of Directors of the Bank be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to any Committee of Board of Directors of the Bank and/ or director(s) and/ or Executives of the Bank or any Committee of the Executives of the Bank to give effect to the aforesaid resolution.”

9. Amendments to the Articles of Association (AOA) of the Bank

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

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of Companies Act, 2013, read with applicable Rules and Regulations made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force), Banking Regulation Act, 1949, Banking Laws (Amendment) Act, 2012, guidelines of Reserve Bank of India (“RBI”) and subject to the approval of statutory authority as applicable, if any, consent of the Members, be and is hereby accorded for the alteration of the Bank's Articles of Association in the manner and to the extent hereinafter provided:

To insert a new Article as **Article 63C - Appointment of Nominee Director by Debenture Trustee in certain circumstances**”, to read as shown below:

Article 63C - Appointment of Nominee Director by Debenture Trustee in certain circumstances

If it is provided by any Trust Deed executed in connection with any issue of non-convertible debt securities of the Bank, that the Debenture Trustee(s) shall have powers to appoint a nominee Director on the Board of the Bank subject to the occurrence of events specified in the Trust Deed, then in the case of any and every such issue of non-convertible debt securities, the Debenture Trustee(s) may exercise such power from time to time and appoint a nominee director accordingly. The Debenture Trustee(s) may at any time and from time to time remove the nominee director appointed by it and may in the event of such removal and also in the event of such nominee director ceasing to hold office for any reason whatsoever including resignation or death, appoint another nominee director to fill up the vacancy. Subject to applicable law/regulations a nominee director appointed in terms of this article shall not be bound to hold any qualification shares nor shall he be liable to retire by rotation.

Subject to the applicable law/regulations, the Bank shall, at the earliest and not later than one month from the date of receipt of nomination from the Debenture Trustee(s) as mentioned above, appoint the person nominated by the Debenture Trustee as a nominee director on its Board of Directors.

10. To approve the issuance of equity shares on preferential basis

To approve the offer or invitation to subscribe to equity shares by way of preferential allotment on a private placement basis, and 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 (i) the provisions of Sections 23, 42 and 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the “Companies Act”) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re- enactment(s) thereof for the the time being in force); (ii) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “ICDR Regulations”); (iii) the Banking Regulation Act, 1949, the Master Directions – Issue and Pricing of Shares by Private Sector Banks, Directions, 2016, the Master Directions – Ownership in Private Sector Banks, Directions, 2016, the Master Directions – Prior Approval for acquisition of shares or voting rights in Private Sector Banks, Directions, 2015; (iv) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”); in each case, including statutory amendment(s) or modification(s) thereto or re-enactment(s) or substitution(s) made there under, if any, for the time being in force and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines issued thereon, from time to time (v) any other rules / regulations / guidelines, if any, prescribed by the Securities and Exchange Board of India (“SEBI”), the Ministry of Corporate Affairs, the Reserve Bank of India, under the Foreign Exchange Management Act, 1999, as amended, and rules and regulations framed there under, the respective stock exchanges where the shares of the Bank are listed (“Stock Exchanges”) and/or any other statutory / regulatory authority; and (vi) the memorandum and articles of association of the Bank; and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the appropriate authorities, institutions or bodies as may be required, and subject to such conditions and modifications, as may be prescribed by any of them while granting any such approvals, consent(s), permission(s), and/or sanction(s), and which terms may be agreed to by the Board of Directors of the Bank (the “Board”, which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the approval of the members of the Bank be and is hereby accorded to create, offer, issue and allot up to 7,26,82,048 (Seven Crore Twenty Six Lakhs Eighty Two Thousand and Forty Eight) equity shares of face value Rs. 2/- (Rupees Two only) each (“Shares”) at an issue price of Rs. 131.91 (Rupees One Hundred and Thirty-One and Paise Ninety-one only) per share for a consideration not exceeding an aggregate amount of Rs. 9,58,74,88,951.68 (Rupees Nine Hundred Fifty Eight Crores Seventy Four Lakhs Eighty Eight Thousand Nine Hundred Fifty One and Paise Sixty Eight only) to the following investors, each a qualified institutional buyer in terms of ICDR Regulations (the “Allottees”) by way of preferential allotment on a private placement basis (“Preferential Allotment”), in accordance with the ICDR Regulations, Companies Act and other applicable laws and, on such terms and conditions as mentioned hereunder:

Sl. No.	Name of Allottees	Permanent Account Number (PAN)	No. of Shares	Subscription Amount (in Rs.)
1	International Finance Corporation	Exempted Category	6,21,63,596	8,19,99,99,948.36
2	IFC Financial Institutions Growth Fund, LP (directly and/or through its affiliates)	AAHFI5038D	52,59,226	69,37,44,501.66
3	IFC Emerging Asia Fund, LP (directly and/or through its affiliates)	AAHFI4959F	52,59,226	69,37,44,501.66
Total			7,26,82,048	9,58,74,88,951.68

“RESOLVED FURTHER THAT the relevant date for the determination for the issue price for the Shares as per the ICDR Regulations is July 19, 2023”.

“RESOLVED FURTHER THAT the Preferential Allotment shall be made on the following terms and conditions;

- i. Each Allottee shall be required to bring in 100% of the consideration for the relevant Shares on or before the date of allotment thereof.
- ii. The consideration for allotment of the relevant Shares shall be paid to the Bank from the bank account of each Allottee, respectively.
- iii. The Shares to be issued and allotted pursuant to this resolution shall be listed and traded on the Stock Exchanges, where the equity shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals, as the case may be.
- iv. Allotment of Shares shall only be made in dematerialized form.
- v. The Shares allotted to the Allottees shall rank *pari passu* inter-se with the existing equity shares of the Bank in all respects (including with respect to dividend and voting rights) and shall be subject to the Memorandum of Association and Articles of Association of the Bank and any applicable lock-in requirements in accordance with Regulation 167 of the ICDR Regulations.
- vi. The Shares shall be issued and allotted within a period of 15 (fifteen) days from the date of this resolution. Where the allotment of the Shares is pending on account of pendency of any approval for the preferential issue / for such allotment by any regulatory / statutory authority, the allotment shall be completed within a period of 15 (fifteen) days from the date of such approval.”

“RESOLVED FURTHER THAT subject to the ICDR Regulations and other applicable laws, the Board be and is hereby authorized to decide, approve, vary, modify and alter the terms and conditions of the issue of the Shares, as it may, in its sole and absolute discretion deem fit within the scope of this approval of members and to make an offer to the Allottees through private placement offer cum application letter (in Form PAS-4 as prescribed under the Companies Act), without being required to seek any further consent or approval of the members”.

“RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, 2013 complete record of private placement offers be recorded in Form PAS-5 for the issue of invitation to subscribe to the Shares”.

“RESOLVED FURTHER THAT the Managing Director & CEO/ Executive Director(s), Chief Financial Officer and the Company Secretary of the Bank be and are hereby authorised severally to do all such acts, deeds, matters and things as they may in their sole and absolute discretion consider necessary, desirable or expedient for the purpose of giving effect to the above resolutions, including: (a) to make application(s) to the Stock Exchanges for obtaining in-principle approval for issuance of the subscription and listing of the Shares; (b) to file requisite documents/ make declarations/ filings with Ministry of Corporate Affairs, Reserve Bank of India, SEBI, Stock Exchanges and any other statutory authority for and on behalf of the Bank; (c) to represent the Bank before any Government / regulatory authorities; (d) to appoint any merchant bankers or other professional advisors, consultants and legal advisors, and (e) to execute, deliver and enter into any and all documents, agreements, regulatory filings, certificates or instruments (including a certified copy of these resolutions), undertakings (including for effecting any modifications, changes, variation, alterations, additions and/or deletions to the foregoing) and to do or cause to be done any and all acts, things or deeds as may be necessary, appropriate or advisable solely in order to carry out the purposes and intent of, and to give effect to the foregoing resolutions, including any forms and documents that may be required to be filed with the concerned Registrar of Companies and other concerned regulatory authorities and to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the Shares, utilization of issue proceeds, as may be required, without being required to seek any further consent or approval of the members.”

11. Raising of Funds through Issuance of Bonds

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

“RESOLVED THAT pursuant to provisions of Section 42 of the Companies Act, 2013, Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, Operational Circular for issue and listing of Non- Convertible Securities, Securitized Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper, as amended and updated from time to time and other applicable laws, rules and regulations, if any, the provisions of the Memorandum and Articles of Association of the Bank and subject to receipt of such approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned statutory or regulatory authority(ies), the approval of the Members of the Bank be and is hereby accorded to the Board of Directors of the Bank for borrowing/ raising in Indian currency or any other permitted foreign currency by way of issue debt instruments including but not limited to Additional Tier I bonds (AT1 bonds), Tier II bonds, long term bonds to be issued for financing Infrastructure and Affordable housing loans, Masala Bonds, bonds issued for Environmental Social Governance funding (ESG bonds) such as Green Bonds, Blue Bonds or other such debt securities as may be permitted by RBI from time to time towards the stated purpose, up to Rs.8,000 crore (Rupees Eight Thousand crore only) in domestic market and/or overseas market, under one or more shelf disclosure document and/or under one or more letter of offers as may be issued by the Bank and in one or more tranches, on a private placement basis within the overall borrowing limits of the Bank approved by way of special resolution under the provisions of Section 180(1) of the Companies Act 2013, on such terms and conditions for each series / tranches including the price, coupon, premium, discount, tenor, etc. as may be approved by the Board of Directors of the Bank, from time to time”.

“RESOLVED FURTHER THAT the Board of Directors of the Bank be and is hereby authorized to execute all such agreements, documents, instruments and writings, to settle, questions, difficulties or doubts that may arise with regard to the said matter as it may in its sole and absolute discretion deem appropriate and to do all such acts, deeds, matters and things as may be required to give effect to this resolution”.

“RESOLVED FURTHER THAT the Board of Directors of the Bank be and is hereby authorized to delegate all or any of its powers herein conferred to any Committee of Board of Directors of the Bank or any one or more of the Directors or Executives of the Bank or any Committee of the Executives of the Bank, for giving effect to this resolution”.

12. To approve the increase in borrowing limit

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and other applicable rules, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force) and in supersession of the resolution limiting the borrowing authority of the Board of Directors of the Bank(“Board”) up to Rs. 12,000 Crore (Rupees Twelve Thousand Crore only) over and above the Paid-up Capital, Free Reserves including Securities Premium of the Bank passed by the Bank at the Annual General Meeting held on August 10, 2018, the Board be and is hereby authorized to borrow moneys from time to time such that the amount of such moneys borrowed and remaining to be repaid shall in the aggregate not exceed Rs. 18,000 Crore (Rupees Eighteen Thousand Crore only) over and above the Paid-up Capital, Free Reserves including Securities Premium of the Bank, apart from temporary loans obtained from the company’s bankers in the ordinary course of business, notwithstanding that the moneys to be borrowed, together with the monies already borrowed by the Bank may exceed the aggregate of the

Bank's Paid up Capital, Free Reserves including Securities Premium, that is to say, reserves not set apart for any specific purposes".

13. To approve adoption of The Federal Bank Limited Employee Stock Option Scheme 2023

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

"RESOLVED THAT pursuant to the provisions of section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), and the Rules thereunder, including any statutory modification(s) or re-enactment(s) of the Act, applicable regulations of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 including any statutory modification(s) or re-enactment thereof) (hereinafter referred to as "SEBI Regulations"), the applicable provisions of the Foreign Exchange Management Act, 1999 (FEMA), any rules, regulations and guidelines issued by the Reserve Bank of India, including any amendments(s), statutory modifications(s) or re-enactment(s) thereof, the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, the provisions of any regulations / guidelines prescribed by the Reserve Bank of India ("RBI"), the Memorandum and Articles of Association of the Bank for the time being in force, and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the members of the Bank be and is hereby accorded to adopt and implement 'The Federal Bank Limited Employee Stock Option Scheme 2023' ("ESOS 2023"), the salient features of which are detailed in the Explanatory Statement to this Notice, and authorise the Board of Directors of the Bank (hereinafter referred to as the "Board" which term shall be deemed to include any committee, including the Nomination, Remuneration, Ethics and Compensation Committee which the Board has designated as Compensation Committee to exercise its powers, including the powers, conferred by this resolution), to offer, grant and issue from time to time, in one or more tranches, up to 0.71% of the paid-up equity share capital of the Bank i.e. 1,50,25,025 employee stock options convertible into 1,50,25,025 equity shares of face value of Rs. 2 /- (Rupees Two only) each fully paid up, ranking *pari passu* with the existing equity shares of the Bank for all purposes and in all respects, including payment of dividend, to or for the benefit of the employees, exclusively working in India or outside India, who are in the employment of the Bank and its Group companies including its Subsidiary Company(ies) / Associate Company(ies) (Present and Future, if any) including any Director, whether whole-time or otherwise (other than the employee who is Promoter or person belong to the Promoter Group, Independent Directors of the Bank and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Bank), on such terms and conditions as the Board (including Nomination, Remuneration, Ethics and Compensation Committee) may decide under the ESOS 2023 in accordance with the SEBI Regulations and other applicable laws in force.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, merger, demerger, sale of division, change in capital structure and others, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under law including issue of additional stock options of the Bank to be issued to the Employees for the purpose of making a fair and reasonable adjustment to the stock options issued to them. Further the above ceiling in terms of number of equity shares / stock options shall be deemed to be increased in proportion to the additional equity shares issued in the event of aforesaid corporate action(s).

RESOLVED FURTHER THAT in case the equity shares of the Bank are either sub-divided or consolidated, then the number of equity shares to be issued by the Bank and the price of acquisition

payable by the option grantees under the ESOS 2023 shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of Rs. 2/- (Rupees Two only) per equity share shall bear to the revised face value of the equity shares of the Bank after such sub-division or consolidation, without affecting any other rights or obligations of the said grantees and the ceiling in terms of number of shares / options specified above shall be deemed to be adjusted accordingly.

RESOLVED FURTHER THAT the Bank shall conform to the accounting policies prescribed from time to time under the SEBI Regulations and any other applicable laws and regulations to the extent relevant and applicable to ESOS 2023.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take requisite steps for listing of the equity shares allotted under the ESOS 2023 on the Stock Exchanges where the equity shares of the Bank are listed in due compliance with SEBI Regulations and other applicable laws.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, as it may, at its absolute discretion, deem necessary including authorisation or issuance of directions to appoint merchant bankers, advisors, solicitors, consultants or representatives, being incidental to the effective implementation and administration of the ESOS 2023 and make applications to the appropriate authorities for their requisite approvals and settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorized to devise, formulate, modify, change, vary, alter, amend, suspend or terminate the ESOS 2023, subject to compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members of the Bank and execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to the ESOS 2023 and to do all other things incidental to and ancillary thereof.”

14. To approve adoption of The Federal Bank Limited Employee Stock Incentive Scheme 2023

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

“RESOLVED THAT pursuant to the provisions of section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), and the Rules thereunder, including any statutory modification(s) or re-enactment(s) of the Act, applicable regulations of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 including any statutory modification(s) or re-enactment thereof) (hereinafter referred to as “SEBI Regulations”), the applicable provisions of the Foreign Exchange Management Act, 1999 (FEMA), any rules, regulations and guidelines issued by the Reserve Bank of India, including any amendment(s), statutory modifications(s) or re-enactment(s) thereof, the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, the provisions of any regulations / guidelines prescribed by the Reserve Bank of India (“RBI”), the Memorandum and Articles of Association of the Bank for the time being in force, and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the members of the Bank be and is hereby accorded to adopt and implement ‘The Federal Bank Limited – Employee Stock Incentive Scheme 2023 (“ESIS 2023”), the salient features of which are detailed in the Explanatory Statement to this Notice, and authorise the Board of Directors of the Bank (hereinafter referred to as the “Board” which term shall be deemed to include any committee, including the Nomination, Remuneration, Ethics and Compensation Committee which the Board has designated as Compensation Committee to exercise its powers, including the powers, conferred by this resolution), to offer, grant and issue from time to time, in one or more tranches, up to 0.30% of

the paid-up equity share capital of the Bank i.e. 63,48,603 employee stock options convertible into 63,48,603 equity shares of face value of Rs. 2/- (Rupees Two only) each fully paid up, ranking *pari passu* with the existing equity shares of the Bank for all purposes and in all respects, including payment of dividend, to or for the benefit of the employees, exclusively working in India or outside India, who are in the employment of the Bank and its Group companies including its Subsidiary Company(ies) / Associate Company(ies) (Present and Future, if any) including any Director, whether whole-time or otherwise (other than the employee who is Promoter or person belong to the Promoter Group, Independent Directors of the Bank and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Bank), on such terms and conditions as the Board (including Nomination, Remuneration, Ethics and Compensation Committee) may decide under the ESIS 2023 in accordance with the SEBI Regulations and other applicable laws in force.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, merger, demerger, sale of division, change in capital structure and others, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under law including issue of additional stock options of the Bank to be issued to the Employees for the purpose of making a fair and reasonable adjustment to the stock options issued to them. Further the above ceiling in terms of number of equity shares / stock options shall be deemed to be increased in proportion to the additional equity shares issued in the event of aforesaid corporate action(s).

RESOLVED FURTHER THAT in case the equity shares of the Bank are either sub-divided or consolidated, then the number of equity shares to be issued by the Bank and the price of acquisition payable by the option grantees under the ESIS 2023 shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of Rs. 2/- (Rupees Two only) per equity share shall bear to the revised face value of the equity shares of the Bank after such sub-division or consolidation, without affecting any other rights or obligations of the said grantees and the ceiling in terms of number of shares / options specified above shall be deemed to be adjusted accordingly.

RESOLVED FURTHER THAT the Bank shall conform to the accounting policies prescribed from time to time under the SEBI Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESIS 2023.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take requisite steps for listing of the equity shares allotted under the ESIS 2023 on the Stock Exchanges where the equity shares of the Bank are listed in due compliance with SEBI Regulations and other applicable laws.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, as it may, at its absolute discretion, deem necessary including authorisation or issuance of directions to appoint merchant bankers, advisors, solicitors, consultants or representatives, being incidental to the effective implementation and administration of the ESIS 2023 and make applications to the appropriate authorities for their requisite approvals and settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorized to devise, formulate, modify, change, vary, alter, amend, suspend or terminate the ESIS 2023, subject to compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members of the Bank and execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to the ESIS 2023 and to do all other things incidental to and ancillary thereof.”