

May 01, 2019

To,
The Chairman, Managing Director & CEO
Edelweiss Financial Services Limited
Edelweiss House, Off CST Road,
Kalina Mumbai 400 098

Dear Sir,

Sub. : Special Resolutions passed through Postal Ballot

Pursuant to the resolution passed by the Board of Directors of Edelweiss Financial Services Limited (*hereinafter referred to as 'EDELWEISS or the 'COMPANY'*) on March 26 2019, I have been appointed as a Scrutinizer to conduct and scrutinize the postal ballot voting process in respect of the Special Resolutions as circulated/ stated in the Postal Ballot Notice ('Notice') dated March 26, 2019.

In order to enable wider participation of shareholders and to comply with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, and Section 108 and 110 of the Companies Act, 2013 (the 'Act') read with the rules framed there under, the COMPANY had provided remote electronic voting ('e-voting') facility as an alternative to its members so as to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Forms ('Forms').

Accordingly, the COMPANY had made arrangements with National Securities Depository Limited (*hereinafter referred to as 'NSDL'*), the Service Provider, for providing a system of recording votes of the shareholders cast through e-voting. The COMPANY had also made arrangements with NSDL to set up the e-voting facility on its website <https://www.evoting.nsdl.com>.

Link Intime India Private Limited (*hereinafter referred to as 'Link Intime' or 'RTA'*) are the Registrars and Share Transfer Agents of the COMPANY.



The COMPANY had uploaded the Notice together with the explanatory statements and the Postal Ballot Form on its website www.edelweissfin.com and <https://www.evoting.nsdl.com> respectively. NSDL had generated E-Voting Event Number (EVEN) : 110583 for the votes to be cast through e-voting mode. As informed/stated by the COMPANY, all the necessary formalities specified under the Act and the rules framed there under have been duly complied with by the Service Provider. Necessary instructions in relation to voting by postal ballot were duly mentioned in the Notice dated March 26, 2019 sent to all the shareholders of the Company by registered post, courier and through e-mail, wherever e-mail id's were available as detailed elsewhere in this Report. The above activities were completed by March 30 2019. The Register of Members was made up, for the purpose of dispatch of the Notice and Form to the shareholders as of Wednesday, March 27, 2019 (cut-off date). The items for which approval of the shareholders of the COMPANY were sought through Special Resolutions as stated in the Notice dated March 26, 2019 are as under:-

Sr. No.	Type of Resolutions	Description of the resolutions
1.	<u>As a Special Resolution</u> Approval of the "Edelweiss Employees Stock Appreciation Rights Plan 2019"	As per Item No. 1 of the Notice.
2	<u>As a Special Resolution</u> Approval for extending the benefits of Edelweiss Employees Stock Appreciation Rights Plan 2019 to the employees of the Company's subsidiaries	As per Item No. 2 of the Notice.

I report that the Notice and the Form in accordance with the relevant provisions of the Act read with the Rules made there under were dispatched to the shareholders numbering to 21 through registered post and 35162 through courier in physical form. The Notices and Forms sent in physical form were accompanied with postage pre-paid self-addressed Business Reply Envelope ('BRE') which was required to be returned by the shareholders on or before 5.00 P.M., on Tuesday, April 30, 2019. In addition to the above, Notices were also sent via electronic mode by NSDL, the System Provider to 131517 shareholders at their e-mail addresses registered with the Depository Participants as per the data downloaded from the National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('NSDL') as on March 27, 2019 (cut-off date). As per the information provided by the Service Provider, out of the 131517 e-mails sent, 8879 e-mails had bounced. The

COMPANY subsequently, sent the physical Notice along with the Form and BRE to 8809 shareholders by Courier 8809 and to 70 shareholders by registered post. I further report that as stated in the Notice sent to the shareholders, the COMPANY had fixed 5:00 P.M. on Tuesday April 30, 2019 as the last date for receipt of Forms and completing the e-voting.

As stated in sub-rule 4 of rule 20 as well as rule 22 of the Companies (Management and Administration) Rules, 2014, an advertisement was published by the COMPANY in "Free Press Journal" English Newspaper, and in "Navshakti.", Marathi Newspaper, both dated April 1, 2019, informing about the completion of dispatch of the Notices and Forms, by registered post/courier / airmail and by e-mail, wherever applicable, to the shareholders along with other related documents mentioned therein.

I report that I have received the Forms from the shareholders during the period starting from Monday, April 1, 2019 till Tuesday April 30, 2019. All the Forms together with all votes cast through e-voting from Monday April 1, 2019 up to 5:00 P.M. on Tuesday, April 30, 2019 being the last date fixed by the COMPANY for receipt of the Forms/e-voting, were considered for scrutiny.

Envelopes numbering to 247 containing Forms returned undelivered by Courier / postal authorities were not opened and the details of the same was separately maintained by the RTA.

The Forms received by the RTA in the name of the Scrutinizer were opened and then taken up for matching with the master data base as of the cut-off date by RTA under my instruction at regular intervals. This process was carried out on a weekly basis.

On Tuesday April 30, 2019, after the closure of e-voting process at 5.00 P.M., the votes cast through e-voting facility were duly unblocked by me as a Scrutinizer in the presence of Mr. K Venkataraman and Mr. Akash Jain, witnesses, under sub-rule 4(xii) of rule 20 of the Companies (Management and Administration) Rules, 2014. Since, e-voting facility was provided by NSDL, the details of the e-voting exercised by the shareholders and the votes exercised through Forms, which were duly scrutinized and processed, were duly compiled by RTA. The details of the e-voting, the compilation of the Register in respect of physical Forms containing the statement of shareholder's name, folio number, postal ballot number, number of shares held, number of votes exercised, votes in favour, votes against and those votes which were rejected, were generated by the RTA which have been duly scrutinized.



On scrutiny, I report that out of 166700 shareholders holding shares as on the cut-off date, March 27, 2019, 591 Shareholders have exercised their votes through e-voting and 209 Shareholders have exercised their votes through Postal Ballot Forms, as received till the last date. Further, e-voting platform was optional for the Members to cast their votes. In case, the Member have cast their votes by physical Forms as well as through e-voting then, vote cast through e-voting was considered and voting done through postal ballot Forms was ignored as indicated in the Notice dated March 26, 2019.

The details of Postal Ballot results for the items placed for consideration and approval of the members are given below:

Item No. 1. Special Resolution

Approval of the 'Edelweiss Employees Stock Appreciation Rights Plan 2019'

"RESOLVED that in accordance with the provisions of Section 62(1)(b) of the Companies Act, 2013, and the Rules framed there under and such other applicable provisions if any, (including any amendments, statutory modification(s) and /or re-enactment thereof for the time being in force) ('the Companies Act'), subject to the Memorandum and the Articles of Association of the Company, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as 'SBE Regulations'), the relevant regulations, circulars and notifications, if any, issued by the Securities and Exchange Board of India ('SEBI') from time to time and all other applicable laws and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be imposed or prescribed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board' which expression shall also include the Compensation (ESOP) Committee/any other Committee of the Board ('Committee'), to exercise its powers, including the powers granted under this resolution), the consent of the Members of the Company be and is hereby accorded for the 'Edelweiss Employees Stock Appreciation Rights Plan 2019' (hereinafter referred to as the 'SAR Plan 2019') and enabling the Board / Committee to create, offer, grant, issue and allot from time to time, to the Eligible Employees (as defined in the SAR Plan 2019), such number of Stock Appreciation Rights ('SARs') (as defined in the SAR Plan 2019) in one or more tranches and upon such terms and conditions as specified in the SAR Plan 2019 and as may be deemed appropriate by the Board / Committee, such that the aggregate number of SARs granted under the SAR Plan 2019 shall not exceed such number of SARs as would be exercisable into not more than 4,00,00,000 fully paid-up equity shares of face value ` 1 each of the Company ('Equity Shares') (save that the number of Shares shall stand adjusted accordingly, if and as determined by the Board/Committee in the event of a bonus issue, rights



issue, share split, share consolidation or such other corporate actions that the Board determines requiring such adjustments) and that the SAR Plan 2019 be formulated and implemented in lieu of the Edelweiss Employees Stock Incentive Plan 2016 ('ESOP 2016') under which no options were granted and the approval for issuance of the 4,00,00,000 Equity Shares by the Members for ESOP 2016 be extended to SAR Plan 2019;

FURTHER RESOLVED that each SAR confers the right on the Eligible Employee to receive the difference between the Market Price (as defined in SAR Plan 2019) of the Equity shares of the Company on the date of exercise and the SAR Price ('Appreciation Value') to be settled either in cash or by issue of Equity Shares at the sole discretion of the Board / Committee.

FURTHER RESOLVED that in case the SARs are to be settled by way of Equity Shares to the Eligible Employees, the number of Equity Shares shall be calculated by dividing the Appreciation Value by the Market Price (as defined in SAR Plan 2019) of the Equity Shares on the date of exercise, on such terms and conditions as mentioned in the SAR Plan 2019 subject to payment of the face value of ` 1 per Equity Share, provided that:

1. the maximum number of SARs granted under the SAR Plan 2019 per Eligible Employee shall not exceed such number of SARs as would be exercisable into not more than 50,00,000 Equity Shares;
2. the number of SARs that may be granted to any Eligible Employee in any one financial year under the SAR Plan 2019 shall be less than 1% of the total issued and paid-up equity share capital of the Company at the time of grant (excluding outstanding warrants and convertible securities);
3. the Board/Committee shall determine the eligibility criteria of the employees entitled to participate under the SAR Plan 2019 based on evaluation parameters including but not limited to, length of service, grade, performance, technical knowledge, leadership qualities, merit, contribution, conduct, future potential and such other factors as may be deemed appropriate by it;
4. subject to continued employment of the Eligible Employees with the Company or its subsidiaries and other provisions of the SAR Plan 2019, and unless the Board/Committee determines otherwise, the SARs shall vest with the Eligible Employees within a period of not less than 12 months and with the maximum period as may be decided by the Board/Committee, which in any case shall not exceed 96 months from the date of grant;
5. the Board/ Committee may at its discretion determine the vesting period either generally or with reference to any specific Eligible Employee(s), which shall be based on evaluation parameters and shall be final and binding on the Eligible Employees;
6. the exercise period of the vested SARs shall be such period as may be determined by the Board/Committee which shall start from the date of vesting and shall not exceed 96 months from the date of vesting;



7. unless the Board/Committee determines otherwise, whether generally or in respect of any specific SARs, the 'SAR Price' of the SARs granted under the SAR Plan 2019 shall be the higher of the closing market price of the Equity Shares as on the date of grant or book value of the Equity Shares as per the last audited balance sheet as on the date of the grant;
8. the Board/Committee is also empowered to make, subject to provisions of the SBEB Regulations, a fair and reasonable adjustment to the exercise price in case of bonus issue, right issue, share split, share consolidation and other corporate action;
9. the Company shall use fair valuation method for valuation of SARs under the SAR Plan 2019, unless the Board /Committee determines otherwise in consonance with the SBEB Regulations; and
10. the Company shall comply with the relevant notified Accounting Standards and/or policies prescribed by the SEBI, from time to time, including the disclosure requirements prescribed therein.

FURTHER RESOLVED that subject to the applicable provisions of SBEB Regulations, the Board/Committee be and is hereby authorized to vary, modify or alter any of the terms and conditions of the SAR Plan 2019, including but not limited to those for the grant of SARs, allotment of Equity Shares on exercise of SARs, exercise price for the purpose of the grant, vesting period and exercise period;

FURTHER RESOLVED that the Equity Shares as may be required to be issued and allotted in accordance with the terms of the SAR Plan 2019 shall, subject to Articles of Association of the Company, rank pari- passu with the then existing Equity Shares of the Company in all aspects;

FURTHER RESOLVED that for giving effect to this Resolution, and subject to applicable laws, the Board/Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental to, and to settle any question, remove any difficulty or doubt that may arise from time to time, in relation to the SAR Plan 2019 and its implementation including grant of SARs, vesting of SARs, allotment of Equity Shares on exercise of vested SARs and other matters whatsoever and to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions or sanctions which may be necessary or desirable, as they may deem fit without being required to seek any further consent or approval of the Members of the Company and the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution;

FURTHER RESOLVED that the Board be and is hereby authorized to delegate all or any of the powers herein conferred on it, to any Committee or any director or officers of the Company, in such manner as they may deem fit in their absolute discretion with the power to take such steps and to do all such



acts, deeds, matters and things as they may deem fit and proper to give effect to aforesaid resolution."

Total no. of Shareholders	166700		
Total no. of Equity Shares	932669564		
Receipt of Postal Ballot Forms	From April 1, 2019 till April 30, 2019		
		Number of Votes	Number of Shares
Total votes cast through e-voting	A	591	61,75,23,800
Total votes cast through Postal Ballot Forms received	B	209	5,44,78,026
Grand Total of e-voting/Postal Ballot Forms (A+B)	C	800	67,20,01,826
Less: Invalid e-voting/ Postal Ballot Forms <i>*(On account of signature mismatch, for / against option not indicated / abstained)</i>	D	8	4,49,25,770
Net e-voting/ Postal Ballot Forms (C-D)	E	792	62,70,76,056

NOTE:

- (i) *Invalid Postal Ballot Forms were not taken into account for counting of votes.*
- (ii) *Votes cast in favour or against has been considered on the basis of number of shares held as on the date reckoned for the purpose of postal ballot or the number of shares mentioned in the Postal Ballot Form whichever is less*
- (iii) *There are NIL cases where the shareholder has voted both through Postal Ballot Form as well as through e-voting.*

Summary of Postal Ballot

Promoter/ Public	No. of shares held (1)	No. of votes polled (2)	% of votes polled on outstandi ng shares (3)=[(2)/ (1)]*100	No. of votes - in favour (4)	No. of votes - against (5)	% of votes in favour on votes polled (6)=[(4)/(2)]*100	% of votes against on votes polled (7)=[(5)/ (2)]*100
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Promoter and Promoter Group	307284490	307284490	100.00	307284490	Nil	100.00	Nil
Public-Institutional holders	306540569	221997042	72.420	167535761	54461281	75.468	24.532
Public-others	318844505	97794524	30.672	97760544	33980	99.965	0.035
Total	932669564	627076056	67.235	572580795	54495261	91.310	8.690

Percentage of votes cast in favour: 91.310 Percentage of votes cast against: 8.690

RESULTS:-

As the number of votes cast in favour of the Resolution is more than three times the number of votes cast against, I report that the Special Resolution as set forth in Item No. 1 of Postal Ballot Notice dated March 26, 2019 has been passed by the shareholders with requisite majority. The Special Resolution is deemed as passed on the last date of voting that is Tuesday, April 30, 2019.

Item No. 2. Special Resolution

Approval for extending the benefits of Edelweiss Employees Stock Appreciation Rights Plan 2019 to the employees of the Company's subsidiaries:

"RESOLVED that in accordance with the provisions of Section 62(1)(b) of the Companies Act, 2013, and the Rules framed there under and such other applicable provisions if any, (including any amendments, statutory modification(s) and /or re-enactment thereof for the time being in force) ('the Companies Act'), the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as '**SBEB Regulations**'), the relevant regulations, circulars and notifications, if any, issued by the Securities and Exchange Board of India ('**SEBI**') from time to time and all other applicable laws and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be imposed or prescribed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as '**Board**' which expression shall also include the Compensation (ESOP) Committee/any other Committee of the Board ('**Committee**') to exercise its powers, including the powers granted under this resolution), the consent of the Members of the Company be and is hereby accorded to the Board/ Committee to create, offer, grant, issue and allot, from time to time, in one or more tranches, to such Eligible Employees (as defined in the SAR Plan 2019) of the subsidiaries, such number of Stock Appreciation

Rights (SARs) (as defined in the SAR Plan 2019) upon such terms and conditions as specified in the SAR Plan 2019, pursuant to the 'Edelweiss Employees Stock Appreciation Rights Plan 2019' (hereinafter referred to as the 'SAR Plan 2019')"

FURTHER RESOLVED that the Board be and is hereby authorized to delegate all or any of the powers herein conferred on it, to any Committee or any director or officers of the Company, in such manner as they may deem fit in their absolute discretion with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper to give effect to aforesaid resolution."

Total no. of Shareholders	166700		
Total no. of Equity Shares	932669564		
Receipt of Postal Ballot Forms	From April 1, 2019 till April 30, 2019		
		Number of Votes	Number of Shares
Total votes cast through e-voting	A	591	61,75,23,800
Total votes cast through Postal Ballot Forms received	B	209	5,44,78,026
Grand Total of e-voting/Postal Ballot Forms (A+B)	C	800	67,20,01,826
Less: Invalid e-voting/ Postal Ballot Forms *(On account of signature mismatch, for / against option not indicated / abstained)	D	3	4,49,23,575
Net e-voting/ Postal Ballot Forms (C-D)	E	797	62,70,78,251

NOTE:

- (i) Invalid Postal Ballot Forms were not taken into account for counting of votes.
- (ii) Votes cast in favour or against has been considered on the basis of number of shares held as on the date reckoned for the purpose of postal ballot or the number of shares mentioned in the Postal Ballot Form whichever is less
- (iii) There is NIL cases where the shareholder has voted both through Postal Ballot Form as well as through e-voting



Summary of Postal Ballot

Promoter/ Public	No. of shares held (1)	No. of votes polled (2)	% of votes polled on outstan ding shares (3)=[(2) / (1)]*100	No. of votes - in favour (4)	No. of votes - against (5)	% of votes in favour on votes polled (6)=[(4)/(2)]*100	% of votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	307284490	307284490	100.00	307284490	Nil	100.00	NIL
Public- Institution al holders	306540569	221997042	72.420	167472430	54524612	75.439	24.561
Public- others	318844505	97796719	30.672	97761080	35639	99.964	0.036
Total	932669564	627078251	67.235	572518000	54560251	91.299	8.701

Percentage of votes cast in favour: 91.299 .Percentage of votes cast against: 8.701

RESULTS:-

As the number of votes cast in favour of the Resolution is more than three times the number of votes cast against, I report that the Special Resolution as set forth in Item No. 2 of Postal Ballot Notice dated March 26, 2019 has been passed by the shareholders with requisite majority. The Special Resolution is deemed as passed on the last date of voting that is Tuesday, April 30, 2019.

I further report that as per the Postal Ballot Notice dated March 26, 2019 and the Board Resolution dated March 26, 2019, the Chairman or a person authorized by him in writing may declare and confirm the above results of voting by postal ballot in respect of the Resolutions referred on or before May 2, , 2019. The result of the Postal Ballot will be displayed on Company's website www.edelweissfin.com as also that of the Service Provider NSDL <https://evoting.nsdl.com>. The results will also be communicated to BSE Limited and National Stock Exchange of India Limited (the stock exchanges) where the shares of the COMPANY are listed.

I further report that rule 22 of the Companies (Management and Administration) Rules 2014 has been duly complied with. I further report that, the records maintained by me including the data as obtained from NSDL, the Service Provider for the e-voting facility extended by them as also the RTA recording the consent, or otherwise received from the shareholders, voting through postal ballot, which

includes all the particulars of the shareholders such as the name, folio number/ DP ID and Client ID, number of shares held, number of shares voted and number of shares assented, number of shares dissented, number of shares rejected, ballot papers and other related papers are in my safe custody which will be handed over to the Company Secretary of EDELWEISS FINANCIAL SERVICES LIMITED after the Chairman considers, approves and signs the Minutes of the Postal Ballot process.

I thank you for the opportunity given, to act as a Scrutinizer for the above Postal Ballot process of your COMPANY.

Thanking You

Yours faithfully,

For BN & Associates

COMPANY SECRETARIES

B Narasimhan

(Proprietor)

FCS 1303 COP No.: 10440

Place: Mumbai



Dated: May 1, 2019

The following were the witnesses to the unblocking of e-voting, on Tuesday April 30, 2019, on closure of e-voting period.

1. Mr. K Venkataraman

2. Mr. Akash Jain

Signature K. Venkataraman

Signature [Signature]

I have received the report:

Signature [Signature]



Rashesh Shah / B. Renganathan

Chairman, Managing Director & CEO / Executive
Company Secretary

Vice-President &