

## **FEDBANK FINANCIAL SERVICES LIMITED**

**CIN:** U65910KL1995PLC008910

**REGISTERED OFFICE:** Federal Towers, Alwaye, Ernakulam, Kerala - 683 101, India, Tel: 0484-2634411

**CORPORATE OFFICE:** Kanakia Wall Street, A-Wing, 5th Floor, Unit No.501/502/511/512, Andheri – Kurla Road, Chakala, Andheri East, Mumbai, Maharashtra – 400093

**PHONE:** 022-68520665 **Email:** customercare@fedfina.com **WEBSITE:** www.fedfina.com

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### **NOTICE OF EXTRA-ORDINARY GENERAL MEETING**

NOTICE is hereby given that the Extra-Ordinary General Meeting of the members of Fedbank Financial Services (the “Company”) will be held on Wednesday, the 10<sup>th</sup> day of February, 2021 at 11.00 A.M. through Video conferencing to transact the following business:

This notice of meeting is given pursuant to Sections 12,13, 61, 100 and 101 of the Companies Act, 2013 (including any statutory modification (s) or re-enactment(s) thereof for the time being in force) in accordance with the Articles of Association of the Company read with General Circular 14/2020, dated 8<sup>th</sup> April, 2020 (EGM Circular - I), General circular 17/2020, dated 13<sup>th</sup> April, 2020 (EGM Circular - II) & General Circular 39/2020 dated 31<sup>st</sup> December, 2020 (EGM Circular- III) of the Ministry of Corporate Affairs

#### **SPECIAL BUSINESS:**

##### **1. Increase in the Authorised share capital 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 13, 61 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification or re-enactment thereof for the time being in force and the rules made there under the Authorized Capital be and is hereby increased from Rs.300,00,00,000/- (Rupees Three Hundred crore only) to Rs. 1000,00,00,000/- (Rupees One thousand crores only) consisting of additional 99,00,00,000 (Ninety nine crores) equity shares of Rs.10/- each, ranking for dividend and in all other respects pari passu with the existing equity shares of the Company when issued and 1,00,00,000 (One crores) 0.01% Non-cumulative redeemable preference shares of Rs.10/- each.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions, as it may in its absolute discretion, deem appropriate.”

## **2. Alteration of Capital Clause of the Memorandum of Association 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 Section 13 and other applicable provisions, if any, of the Companies Act 2013, the existing Clause V of the Memorandum of Association of the Company as to share capital be and is hereby substituted with following new clause:

V The Authorised share capital of the Company is Rs. 1000,00,00,000/- (Rupees One thousand crores only) comprising of 99,00,00,000 (Ninety Nine Crores only) Equity Shares of Rs.10/- (Rupees Ten Only) and 1,00,00,000 (One Crore only) 0.01% Non-cumulative redeemable preference shares of Rs.10/- (Rupees Ten Only) each, with rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being, with power to increase and reduce the Capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be provided by the Articles of Association of the Company and the Companies Act, 2013.”

## **3. Shifting of Registered Office of the Company from Ernakulam, Kerala to Mumbai, Maharashtra**

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

**“RESOLVED THAT** pursuant to section 12 of the Companies Act, 2013 (“the Act”) read with Rules made thereunder and subject to the necessary approvals from the concerned authorities including the Registrar of Companies, Regional Director, Southern Region, Reserve Bank of India and SEBI, if required consent of the members be and is hereby accorded for shifting the Registered Office of the company from Federal Towers, Alwaye, Ernakulam – 683101, Kerala to Kanakia Wall Street, A Wing , 5<sup>th</sup> Floor, Unit No.511, Andheri Kurla Road, Andheri (East), Mumbai – 400 093, Maharashtra.”

**RESOLVED FURTHER THAT** any one of the Director or Secretary of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to the above resolution.”



**4. Alteration of Memorandum of Association relating to the situation of the Registered Office of the Company**

**“RESOLVED FURTHER THAT** pursuant to section 13 of the Act read with Rules made thereunder, Clause II of the Memorandum of Association of the company be and is hereby altered by substituting the existing clause with the following:

**II. The Registered Office of the Company is situated in the State of Maharashtra.**

**RESOLVED FURTHER THAT** any one of the Director or Secretary of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to the above resolution.”

**By Order of the Board of Directors  
For Fedbank Financial Services Limited**

**S. Rajaraman  
Company Secretary & Compliance Officer**

**Place: Mumbai  
Date: 16.01.2021**

**NOTES:**

1. The statutory registers which should be kept open for inspection of members under the Companies Act, 2013 are available for such inspection by the Members at the Extraordinary General Meeting (EGM).
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated April 8, 2020 , April 13, 2020 and December 31, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the EGM through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”) and MCA Circulars, the EGM is being held through VC / OAVM.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the EGM is also entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a Member of the Bank. Since this EGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the EGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Representatives of members may be appointed in accordance with Section 112 and 113 for the purpose of voting or for participation and voting in the meeting.
5. Members attending the EGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Since the EGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
7. Members may please note the designated email id of the Company, [secretarial@fedfina.com](mailto:secretarial@fedfina.com), if a poll is conducted at the General Meeting, members may convey the vote to the said email id.
8. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC / OAVM ARE AS UNDER:
  - a. Members will be able to attend the EGM through VC / OAVM, Link for the same shall be circulated separately.
  - b. Facility for joining the meeting shall be kept open at least 15 minutes before the scheduled time and shall not be closed till expiry of 15 minutes after scheduled time and will be available for Members on first come first served basis.
  - c. Members who need assistance before or during the EGM, can contact Ms. Riya Devulkar/ Mr. S. Rajaraman at mobile no. 9167111708 / 9769990033 respectively.
  - d. Members who would like to express their views or ask questions during the EGM may register themselves as a speaker by sending their request from their registered

email address mentioning their name, folio number, PAN, mobile number at [secretarial@fedfina.com](mailto:secretarial@fedfina.com) latest by 31<sup>st</sup> January, 2021 on or before 5:00 p.m. IST.

9. The relative explanatory statements pursuant to Section 102 of the Companies Act, 2013 in respect of items of Special Business are annexed hereto.
10. Members are requested to intimate the Company regarding any change of address.
11. All documents referred to in the notice and in the accompanying explanatory statement are open for inspection through electronic mode on the website of the Company up to the date of the EGM.

### **EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013:**

The Following Statements set out all material facts relating to the Special Business mentioned in the Accompanying Notice:

#### **Item Nos.1 and 2: Increase in the Authorised share capital of the Company and alteration of the Capital clause of the Memorandum of Association of the Company**

The Authorised share capital, at present, is Rs.300 Crores consisting of 29,00,00,000 (Twenty Nine Crores only) Equity Shares of Rs.10/- (Rupees Ten Only) and 1,00,00,000 (One Crore only) 0.01% Non-cumulative redeemable preference shares of Rs.10/- (Rupees Ten Only) each. At present, the paid-up equity share capital is Rs.290.87 crores divided in to 289923425 Equity shares of Rs.10/- each and 4,729,730 Optionally Convertible Redeemable Preference Shares of Rs.10/- (Rs.2 paid up).

Currently there is no head room available for periodic issue of further equity shares in order to facilitate growth of business.

As the Company is engaged in a leveraged business and in order to meet the business plans for the coming years, it is proper to have a combination of both equity and debt to build the balance sheet. Further, the Regulatory Capital requirements will also necessitate equity raise as the Company continues to grow.

In view thereof, it is proposed to increase the authorized share capital from Rs. 300,00,00,000/- crores to Rs. 1000,00,00,000/- (Rupees One thousand Crores only) comprising 99,00,00,000 (Ninety Nine Crores only) Equity Shares of Rs.10/- (Rupees Ten Only) and 1,00,00,000 (One Crore only) 0.01% Non-cumulative redeemable preference

shares of Rs.10/- (Rupees Ten Only) each . The proposed increase in the authorized share capital requires the approval of the Members in the General Meeting.

The alteration in the Memorandum of Association is a consequential change to reflect the proposed increase in the authorized share capital.

The Directors recommend the Resolutions set out at Item Nos.1 and 2 of the accompanying Notice for the approval of the Members of the Company by way of Ordinary Resolutions.

A copy of the document as referred to in the resolutions are available for inspection by members during working hours at the registered office and electronically until the date of the Extra Ordinary General Meeting.

None of the Directors, Key Managerial Personnel or relatives thereof are, in any way, concerned or interested financially or otherwise in passing the resolutions set out at Item Nos. 1 and 2.

**Item nos. 3 & 4: Shifting of registered office of the Company from Aluva, Ernakulam, Kerala to Mumbai, Maharashtra**

The company, being a subsidiary of The Federal Bank Limited (CIN: 65191KL1931PLC000368) which has its registered office in Ernakulam, Kerala, was incorporated in the same location as the parent company. Currently the Company has no business operations in Kerala and hence it is not required to have a registered office in Kerala.

Further our Corporate Office is situated in Mumbai at present and a predominant part of business operations are centralised at Mumbai. Also majority of our lenders, money-market mutual participants and other financial intermediaries whom have invested or likely to invest in our commercial paper and other financial instruments are located in Mumbai.

Currently the business operations of the company are being undertaken majorly from Mumbai. The volume of business of the company is also increasing considerably and large presence of stakeholders are based in Mumbai. As the number of stake-holders increase, it is prudent to have the registered office in the financial capital of India which will positively benefit our stake-holders. Also Mumbai being the financial capital of India, the Central office of regulators and other statutory authorities take a more balanced view of various matters because of their exposure to a much larger number of NBFCs and are easily accessible for resolving issues, if any of the Company. Currently all correspondences relating to taxation, RBI and other statutory authorities are sent to the registered office in Kerala which are then directed to Corporate office in Mumbai which results into delay in response

by the Company. The shifting of the registered office to Mumbai shall impair our ability to respond effectively and punctually to the authorities and shall give us access to engage with the authorities effectively.

In view of the above reasons, the Board of Directors are of the opinion that it would be more effective and efficient if the Registered Office of the company is shifted to Kanakia Wall Street, A Wing , 5<sup>th</sup> Floor, Unit No.511, Andheri Kurla Road, Andheri (East), Mumbai – 400 093, Maharashtra. Keeping this in mind, the Board of Directors, in their meeting held on 16<sup>th</sup> January, 2021 approved the proposal for shifting the Registered Office of the company from Ernakulam, Kerala to Kanakia Wall Street, A Wing , 5<sup>th</sup> Floor, Unit No.511, Andheri Kurla Road, Andheri (East), Mumbai – 400 093, Maharashtra. The Directors have also approved the engagement of M/s. SEP & Associates, Practicing Company Secretaries based in Ernakulam, Kerala for availing assistance in all activities involved in the proposed shift, subject to the approval of the members of the company.

The aforesaid proposal for shifting of Registered Office of the Company is in the best interest of the Company, shareholders and all concerned parties and will not be detrimental to the interest of members of the public, shareholders, creditors or employees, in any manner whatsoever.

The proposed shifting, if approved by the members of the company, will be subject to the approval of the Offices of the Registrar of Companies, Kerala & Mumbai, Regional Director, Southern Region, the Reserve Bank of India and SEBI, if required. As the Registered Office of the company is being shifted from the jurisdiction of the Registrar of Companies, Kerala to the Registrar of Companies, Mumbai, Maharashtra, it warrants an alteration in Clause II of the Memorandum of Association of the company as well.

Pursuant to the provisions of Section 12, 13 and all other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules and Regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), shifting of the Registered Office from one State to another and alteration of Clause II of the Memorandum of Association (the “MOA”) of the Company requires the approval of the members of the Company by means of a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financial or otherwise, in the Special Resolution set out at item nos. 3&4 of the notice except to the extent of their shareholding in the Company, if any.

The draft of the altered MOA proposed for approval, is circulated along with this Notice of the Extra-ordinary General Meeting. A copy of the MOA of the Company together with the proposed alterations is available for inspection by the members of the Company at its



Registered Office during normal business hours on all working days up to the date of the Meeting.

The Board recommends the resolutions set out at Item Nos. 3 and 4 as a Special Resolution to the Members for their consideration and approval.

**By Order of the Board of Directors  
For Fedbank Financial Services Limited**

**S. Rajaraman  
Company Secretary & Compliance Officer**

**Place: Mumbai  
Date: 16.01.2021**