



## 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 at shorter notice on 30<sup>th</sup> June, 2020 at 11.00 A.M. through Video conferencing Or Other Audio Visual Means to transact the following business:

This notice of meeting is given pursuant to Sections 42, 55, 71, 101 and 180 of the Companies Act, 2013 (including any statutory modification (s) or re-en0061ctment(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) of the Ministry of Corporate Affairs

#### **SPECIAL BUSINESS:**

#### **1. INCREASE IN THE BORROWING LIMITS OF THE COMPANY FROM INR 4,000 CRORES TO INR 7,000 CRORES:-**

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

“**RESOLVED THAT** in supersession of all the resolutions passed earlier in this regard and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder (including any amendments, statutory modification(s) and/or re-enactment thereof) and the provisions of the Memorandum of Association and Articles of Association of the Company, Circulars/ Notifications/ Directions issued by the Reserve Bank of India from time to time, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (the ‘Board’) to borrow from time to time such sum or sums of money as it may deem requisite for the purpose of the business of the Company, inter alia, by way of loan/financial assistance from various bank(s), financial institution(s) and/or other lender(s), issue of debentures/bonds or other debt instruments, with or without security, whether in India or abroad, on such terms and conditions as the Board at its sole discretion may deem fit, notwithstanding that the money or monies to be borrowed, together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed aggregate of the paid-up share capital of the Company, its free reserves and securities premium, provided however, the total amount so borrowed (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business) shall not exceed at any point in time (excluding any interest on such borrowings) of a sum equivalent to INR 7,000 Crores (Rupees Seven Thousand Crores only).



**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be necessary, desirable or expedient and also to negotiate, agree and execute the required documents/papers/agreements for borrowing funds with any banks, financial institutions, companies, firms or any other government or semi-government bodies, whether state or central, whether in India or abroad (hereinafter referred to as “the Lender”) on such terms as may be mutually agreed between the Company and the Lender(s) and to pay any fees, expenses relating thereto and with power to settle all questions, disputes, difficulties or doubts that may arise including providing any or all clarifications that may be required by the Appropriate Authorities.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate to the extent permitted by law, all or any of the powers herein conferred to any Committee of Directors or the Managing Director or any other Officer or Officers of the Company to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** a copy of the aforesaid resolution duly certified to be true by anyone of the Director or Secretary of the Company, be furnished to the concerned to give effect to the foregoing”.

## **2. INCREASE IN LIMITS FOR CREATION OF CHARGE/SECURITY ON THE ASSETS OF THE COMPANY UPTO AN AMOUNT OF INR 7,000 CRORE TO SECURE ITS BORROWING:-**

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

**“RESOLVED THAT** in supersession of all the resolutions passed earlier in this regard and pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder (including any amendments, statutory modification(s) and/or re-enactment thereof) and the provisions of the Memorandum of Association and Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded for creation by the Board of Directors of the Company (the ‘Board’) from time to time, of such mortgages, charges, liens, hypothecation and/or other securities, in addition to the mortgages, charges, liens, hypothecation and/or other securities created by the Company, on such terms and conditions as the Board at its sole discretion may deem fit, of the Company’s assets and properties, both present and future, whether movable or immovable, including the whole or substantially the whole of the Company’s undertaking or undertakings, in favour of the bank(s), financial institution(s), and/or other lender(s), debenture trustee and/or security trustee as may be agreed to by the Board for the purpose of securing repayment of any loans/financial assistance (whether in Rupees or in foreign currency), debentures or bonds or other instruments issued to the public and/or on private placement basis and/or in any other manner, subject to a maximum amount of INR 7,000 crore (Rupees Seven thousand crore only).

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to negotiate and finalise the terms and conditions, agreements, deeds and documents for creating the said mortgages, charges, liens, hypothecation and/or other securities, to delegate to the extent permitted by law, all or any of the powers herein conferred to any Committee of Directors or the Managing Director or any other



Officer or Officers of the Company and to do and perform all such acts, deeds, matters or things as may be necessary, proper, expedient or desirable to give effect to this resolution.

**RESOLVED FURTHER THAT** a copy of the aforesaid resolution duly certified to be true by anyone of the Director or Secretary of the Company, be furnished to the concerned to give effect to the foregoing”.

**3. AUTHORITY TO ISSUE SECURED/UNSECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES THROUGH PRIVATE PLACEMENT:-**

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 special resolution passed by the Members of the Company in the Twenty Fourth Annual General Meeting held on July 16, 2019 and pursuant to the provisions of Sections 23, 42, 71,179 and 180(1)(c) of the Companies Act, 2013 read with relevant rules thereunder and such other applicable provisions and rules, if any, of the Companies Act, 2013 (including any amendment(s), statutory modification(s) or re-enactment thereof) and read with relevant circulars/notifications issued by the Ministry of Corporate Affairs from time to time, and the relevant provisions of the Memorandum and Articles of Association of the Company, and in accordance with the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ('Debt Regulations') as amended from time to time, and the circulars and clarifications issued by Reserve Bank of India as applicable to the Non-Banking Financial Companies ('NBFC') from time to time, and such other laws and regulations, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee constituted by the Board or any person(s) authorised by the Board in this regard), to make offer(s), invitation(s) to subscribe and issue Secured/Unsecured Redeemable Non-Convertible Debentures (NCDs) on private placement basis in one or more tranches for a sum not exceeding INR 1000 crores (Rupees One Thousand Crores Only) within the overall borrowing limits of the Company, as may be approved by the Members to the qualified institutional buyers, Foreign Institutional Investors, banks, Financial Institutions, mutual funds, provident and gratuity funds, corporates and such other entities/ persons eligible to subscribe to the securities on such terms and conditions including the rate of interest, tenure and security cover thereof etc.

**RESOLVED FURTHER THAT** the approval of the Members of the Company be and is hereby given to all offers or invitations to subscribe to the non-convertible debentures during the period of one year from the conclusion of this Extra-Ordinary General meeting.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or any Committee of the Board or such other persons as may be authorized by the Board, be and are hereby severally authorized to negotiate, modify and finalize the terms and conditions of the NCDs and sign the relevant documents/agreements in connection with the private placement of the NCDs, including without limitation, the private placement offer letter (along with the application form), information memorandum, disclosure documents, debenture trust deed and any other documents as may be required, in connection with the offering(s), issuance(s)and/or allotment(s) on private placement of NCDs by the company and to further delegate the above powers to any Committee of Directors or



any personnel of the company to act on their behalf as they may deem fit and to do all such other acts and things and to execute all such documents as may be necessary for giving effect to this resolution.”

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

**S. Rajaraman  
Company Secretary  
Place: Mumbai  
Date: 29/06/2020**

**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 and April 13, 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 AGM, can contact Ms. Ankita Jain at mobile no. 9699089909
  - 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 9699089909 latest by 29<sup>th</sup> June, 2020.
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.
12. The Meeting is being convened at a shorter notice, after obtaining the consent, in writing, of more than 95% of the Members of the Company entitled to attend the Meeting pursuant to the provisions of Section 101 of the Act.



**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 No. 1 & 2:**

On 16<sup>th</sup> July, 2019, Members of the Company by way of a special resolution passed at the Annual General Meeting of the company had accorded their approval to the Board of Directors to borrow funds from banks, financial institutions for an amount not exceeding INR 4,000 crore (Rupees Four Thousand Crore Only) and to mortgage or create charge on all or any of the assets of the Company in favour of the concerned lenders for the purpose of securing the due repayment of the monies borrowed by the Company together with the interest and other monies thereon.

As per the provisions of Section 180(1)(c) and any special resolution passed by the company consenting to the transaction as is referred to in clause (a) of sub-section (1) of Section 180 may stipulate such conditions as may be specified in such resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transactions, respectively, of the Companies Act, 2013, the Board of Directors of a company shall not, borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital, free reserves and share premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business, or sell, lease or otherwise dispose of the whole or substantially the whole of its undertaking, without the consent of the members of the company accorded at the General Meeting by means of a 'special resolution'.

For the purpose of funding its lending business operations, the Company raises resources inter-alia by borrowing monies from time to time from various bodies corporate, banks, financial institutions, etc. and these borrowings are inter-alia secured by hypothecation of receivables, promissory notes and pledge on the assets of the Company as recommended by the Board.

Considering the future business plans of the Company, it is proposed to increase the borrowing limits of the Company from present Rs. 4,000 crore to Rs. 7,000 crore by passing the resolution proposed under item nos. 1 & 2 as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item nos. 1 & 2 of the Notice.

**Item no. 3:**

Pursuant to Section 42 and any other applicable provisions of the Companies Act, 2013 ('the Act') read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company may make an offer or invitation to subscribe to the debentures through an issue of a private placement offer letter with a previous special resolution of its members approving offer(s) or invitation(s) to subscribe to the debentures of the Company on private placement basis.



In case of offer or invitation for issuance of non-convertible debentures (NCDs), it shall be sufficient if the company passes a previous special resolution only once in a year for all the offers or invitation for such debentures during the year.

The company had obtained the approval of members at the last Annual General Meeting held on 16<sup>th</sup> July, 2019 for issuance of non-convertible debentures not exceeding INR 200 crores in one or more tranches on private placement basis and the said approval of the members is valid till conclusion of 25th Annual General meeting of the company.

In order to facilitate the raising of funds by way of issuance of Non Convertible Debentures, it would be necessary to have the fresh approval of members in place. Accordingly, the Board of Directors after assessing its fund requirements, has proposed to obtain the approval of the Members of the company for borrowing by way of issuance of NCDs not exceeding INR 1000 crores to the eligible investor(s) in one or more tranches on private placement basis in accordance with relevant provisions of the Companies Act 2013, applicable circular or guidelines issued by the RBI and such other laws and regulations as may be applicable to the company.

The NCDs are proposed to be issued at face value as may be permissible as per RBI regulations and acceptable to the subscribers of the security. The NCDs are not proposed to be issued at premium.

The terms and conditions of the issue of NCDs including face value, coupon rate, tenor, security, listing, etc. will be decided by the Board/by its duly authorized Committee as may be mutually agreed to both the Company/duly authorized Committee and subscribers of the NCDs.

The Board recommends the Special Resolution set out at item no.3 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no.3 of the Notice.

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

**S. Rajaraman  
Company Secretary  
Place: Mumbai  
Date: 29/06/2020**