

FEDBANK FINANCIAL SERVICES LIMITED

CIN: U65910MH1995PLC364635

REGISTERED & CORPORATE OFFICE: Kanakia Wall Street, A-Wing, 5th Floor, Unit No.511,
Andheri – Kurla Road, Chakala, Andheri East, Mumbai- 400093, Maharashtra.

PHONE: 022-68520601 **Email:**secretarial@fedfina.com **WEBSITE:** www.fedfina.com

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the Twenty Sixth Annual General Meeting (AGM) of the members of Fedbank Financial Services Limited (the “**Company**”) will be held on Friday, 24th September, 2021 at 11.00 a.m. through Video conferencing (VC) Or Other Audio Visual Means (OAVM) at shorter notice to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company under Ind AS for the Financial year ended March 31, 2021, including the Audited Balance Sheet as at March 31, 2021, the Statement of Profit and Loss for the year ended on that date and the Cash Flow Statement for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Shyam Srinivasan (DIN: 02274773), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Statutory Auditors of the Company, to fix their remuneration and 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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby appoints M/s. B S R & Co. LLP, Chartered Accountants (**ICAI Registration No.: 101248W / W- 100022**), as the Statutory Auditors of the Company for a period of three (3) years from the conclusion of this Annual General Meeting till the conclusion of twenty ninth Annual General Meeting to be held for the year 2024 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

SPECIAL BUSINESS:

4. 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 Rs. 10,000 Crores (Rupees Ten Thousand Crores only).

“RESOLVED FURTHER 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 10,000 crore (Rupees Ten thousand crore 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 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 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”.

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

“RESOLVED THAT pursuant to Section 14 of the Companies Act, 2013 and any other applicable provisions of Companies Act, 2013 read with Rules thereunder (including any statutory modifications or re-enactment thereof, for the time being in force), the consent of the members be and is hereby given to alter Article 69(i) of the Articles of Association (AoA) of the Company

Revised Article 69 (i) shall be read as under:

Any existing / former Director of The Federal Bank Limited or any other individual as decided by the Board of Directors of The Federal Bank Limited shall be the Chairman of the Company for such period as may be specified by the Board of the Bank. In the absence of the Chairman, the Directors present may elect one of their members to be the Chairman of the meeting of the Board.

RESOLVED FURTHER THAT the Board or the Company Secretary be and is hereby authorized to do all acts, deeds or things as may be necessary to give effect to this resolution.

**By order of the Board of Directors
For Fed bank Financial Services Limited**

**Place: Mumbai
Date: September 22, 2021**

**Sd/-
(S. Rajaraman)
Company Secretary & Compliance Officer
Membership No.: F3514**

NOTES:

- **IN VIEW OF THE CONTINUING COVID-19 PANDEMIC, THE MINISTRY OF CORPORATE AFFAIRS (“MCA”) HAS VIDE ITS CIRCULAR DATED 13th JANUARY, 2021 READ WITH CIRCULARS DATED APRIL 8, 2020 AND APRIL 13, 2020 (COLLECTIVELY REFERRED TO AS “MCA CIRCULARS”) PERMITTED THE HOLDING OF THE ANNUAL GENERAL MEETING (“AGM”) THROUGH VC / OAVM, WITHOUT THE PHYSICAL PRESENCE OF THE MEMBERS. IN COMPLIANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013 (“ACT”) AND MCA CIRCULARS, THE AGM OF THE COMPANY IS BEING HELD THROUGH VC / OAVM.**
- **THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING IS ANNEXED HERETO AND FORMS PART OF THE NOTICE.**
- **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM 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 COMPANY. SINCE THIS AGM 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 AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.**
- **MEMBERS MAY ALSO NOTE THAT THE NOTICE OF THE 26TH ANNUAL GENERAL MEETING AND THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31ST**

MARCH 2021 WILL BE AVAILABLE ON THE COMPANY'S WEBSITE VIZ. WWW.FEDFINA.COM FOR DOWNLOAD.

- MEMBERS ATTENDING THE AGM THROUGH VC / OAVM SHALL BE COUNTED FOR THE PURPOSE OF RECKONING THE QUORUM UNDER SECTION 103 OF THE ACT.
- SINCE THE AGM WILL BE HELD THROUGH VC / OAVM, THE ROUTE MAP IS NOT ANNEXED IN THIS NOTICE.
- CORPORATE MEMBERS INTENDING TO SEND THEIR AUTHORIZED REPRESENTATIVE(S) ARE REQUESTED TO SEND A DULY CERTIFIED COPY OF THE BOARD RESOLUTION PURSUANT TO THE SECTION 113 OF THE COMPANIES ACT, 2013 AUTHORIZING THEIR REPRESENTATIVE TO ATTEND AND VOTE ON THEIR BEHALF AT THE ANNUAL GENERAL MEETING.
- MEMBERS MAY PLEASE NOTE THE DESIGNATED EMAIL ID OF THE COMPANY, SECRETARIAL@FEDFINA.COM, IF A POLL IS CONDUCTED AT THE GENERAL MEETING, MEMBERS MAY CONVEY THE VOTE TO THE SAID EMAIL ID.
- INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:
 - (i) MEMBERS WILL BE ABLE TO ATTEND THE AGM THROUGH VC / OAVM, LINK FOR THE SAME SHALL BE CIRCULATED SEPARATELY.
 - (ii) 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.
 - (iii) MEMBERS WHO NEED ASSISTANCE BEFORE OR DURING THE AGM, CAN CONTACT MS. RIYA DEVULKAR AT MOBILE NO. - 9167111708
 - (iv) MEMBERS WHO WOULD LIKE TO EXPRESS THEIR VIEWS OR ASK QUESTIONS DURING THE AGM 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 OR CONTACT ON 9167111708 ON OR BEFORE BY THURSDAY, 23rd SEPTEMBER, 2021 (5:00 P.M. IST).
- ALL THE MATERIAL DOCUMENTS, RESOLUTIONS, MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY ETC. ARE OPEN FOR INSPECTION TO THE MEMBERS DURING THE OFFICE HOUR OF ALL WORKING DAY TILL THE CONCLUSION OF THE ANNUAL GENERAL MEETING AT THE REGISTERED OFFICE & CORPORATE OFFICE OF THE COMPANY.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 sets out all material facts relating to the business mentioned in item nos. 4 & 5 in the accompanying Notice of the Annual General Meeting.

Item no. 4

On 13th July, 2020, 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 Rs. 7000 crores (Rupees Seven Thousand Crores 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. Further, as per the growth plan budgeted for the financial year 2021-22, the Company is likely to cross the balance sheet size of Rs 8,000 Crs. To meet the growth aspiration of the Company, the Board of Directors in their meeting held on 12th May, 2021 recommended to increase the overall borrowing limit from Rs 7,000 Crs to Rs 10,000 Crs subject to the approval of the shareholders.

In view of the abovementioned future business plans of the Company, it is proposed to increase the borrowing limits of the Company from the present limit of Rs. 7,000 crores to Rs. 10,000 crores by passing the resolution proposed under item no. 4 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 no. 4 of the Notice.

Item no.5

The Company has received a letter dated September 22, 2021 from Federal Bank Limited intimating the consent of their Board of Directors at its meeting held on September 22, 2021 on the continuation of Mr. K. Balakrishnan as Independent Director and Chairman of the Company for a period of one year till September 24, 2022 even after his tenure expires as Independent Director on the Board of the Bank on September 24, 2021 subject to alteration in the Article 69(i) of the Articles of Association (AoA) of the Company.

Existing clause Article 69 (i):

Chairman / MD / any Director of The Federal bank Ltd. as decided by the Board of Directors of The Federal bank Ltd. shall be the Chairman of the company. In the absence of the Chairman, the Directors present may elect one of their members to be the Chairman of the meeting of the Board.

Proposed Article 69 (i):

Any existing / former Director of The Federal Bank Limited or any other individual as decided by the Board of Directors of The Federal Bank Limited shall be the Chairman of the Company for such period as may be specified by the Board of the Bank. In the absence of the Chairman, the Directors present may elect one of their members to be the Chairman of the meeting of the Board.

In view of the above, it is proposed to alter the Articles of Association by passing the resolution proposed under item no. 5 as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. K. Balakrishnan and his relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 5 of the Notice.

**By order of the Board of Directors
For Fed bank Financial Services Limited**

**Place: Mumbai
Date: September 22, 2021**

**Sd/-
(S. Rajaraman)
Company Secretary & Compliance Officer
Membership No.: F3514**